

Bank of America

The largest commercial bank in the US in terms of deposits, the largest American company in terms of market capitalization and largest company of its kind in the world, the Bank of America Corporation (B&A) is one of the biggest financial holding companies, which offers banking and non-banking services locally and internationally. It focuses on consumer and small business banking, global corporate and investment and global wealth and investment management. (Loosvelt, D. 2006) Founded in 1874, it was originally known as the Nations Bank till its acquisition of a San Francisco-based Bank of America in which it assumed its current name.

The Bank of America is the leading financial institution in the US. It is second-largest bank in terms of assets. It has the most extensive branch network covering some 30 states from coast to coast. In terms of profitability, it has a profit margin of 31.61%. On the other hand, the efficiency of its management can be reflected on its 16.6% return on equity. Major weaknesses of the bank stem out from its financial policies (e.g. account closures without warning and prioritization in the clearing of biggest checks; withholding customers' direct deposit to cover debts); human resource policies (e.g. charges of racial discrimination in wage, promotion and training); and flaws in its online banking services (e.g. website redirection weakness; ineffective “site key” security)

According to its present Chairman, CEO and President, Kenneth D. Lewis, the mission of Bank of America is to build vivacious and attractive communities where opportunities

abound for all people through the astute integration of human and financial capital. Under this premise, the mission of the organizations immediately underscores the critical role of human resource in attaining the organization's objectives. The success of the corporation relies heavily on the human capital.

The Human Resource Department

Employees define an organization. In the case of Bank of America, their human resources are also an essential ingredient for the accomplishment of the mission. Thus, stress and emphasis has to be given to this particular resource by employing strategies that would adhere to the strong principles and philosophies for progress and development of the people at work. This is to be done to ensure of achieving the very same goal for the company. The sure way of focusing on this issue is to value the person at work. It is important to understand the nature of the workforce as well as his needs and the motive that he has.

The Human Resource Department (HRD) is the specialized department that handles all administrative needs of the people in the organization. Its primary role is to implement the organization function of management, includes the performance of the recruitment of the manpower needs of the organization, design and conduct of manpower development, formulation of compensation and other benefits; implementation of safety and health issues and maintenance of employee and labor relations.

Individual development

The high regard and support of the company towards individual development of organizational employees is reflected in the benefits that every Bank employee is entitled to. First of all, Bank of America adopts a policy of equal employment opportunity thus opening its doors to all potential employees regardless of race, religion, color, sex, sexual orientation, gender, age, national origin, ancestry, citizenship, veteran or disability status or any other factor prohibited by law.

Job Design. In terms of job design, it implements job rotation and job enlargement within its local branches so that jobs are designed to be a channel for one to assert his/ her personality or as a form of continuing education that allows for employees to improve themselves. Apparently, because job rotation in the routine functions of personnel in the bank open rooms for diversity which make work more interesting. Work becomes an instrument by which an employee's potentials are drawn out and tested. Challenges coerce an employee to utilize personal resources that give opportunities for self-improvement and development. Every individual seeks his being productive in the use of his mind and creativity. Through job rotation and enlargement, work becomes interesting and challenging. A person gets occupied in a real sense when he has the opportunity to use whatever knowledge he already has or when he is forced to acquire newer knowledge in order to resolve a problematic situation confronting him. He escapes boredom and his work becomes worthwhile. He can then think positively, viewing problems not as burdens that bear him down but as challenges that can lead him to greater achievements.

This will make him diligent, for the reason not only because he loves his work but also because he is ever on the look-out for better wages and means of solving problems and meeting challenges.

Compensation. Employees commonly depend on the monetary compensation of a job in order to make a living. The job pay should therefore be a commensurate remuneration sufficient for an employee to pay for his personal and family's basic needs. Basic needs cover not only food, clothing and shelter, but also health and personal care, education, rest and recreation. For instance, Bank of America offers healthcare plans, a variety of medical, dental and vision plans; Insurance plans that provides income replacement in the event of serious injury or emergency cases; Reimbursement accounts which help in reducing health care costs; Retirement plans, a voluntary savings plan including a company funded pension plan.

Work-Life Balance. Furthermore, Bank of American has further devised ways to compensate their employees in the form of fringe benefits. Among the many strategies employed the progress and development of the people at work is to recognize and maintain their employees' role as parents as well. Bank of America offer benefits that are supportive of their employee's familial or personal responsibilities.

Among the common policies adopted to support and recognize the evolving needs of employees in relation to their personal and familial life are counseling programs that assist employees on matters regarding personal life and provision of child and eldercare

services so that employees can attend their familial obligations while at work. The company also employs flexible work arrangements as telecommuting, compressed workweeks, flextime, so that employees can further balance their responsibilities.

Other Benefits. Because the bank's employees are themselves similar to the people or customers that the bank serves, they are furthermore entitled to certain discounts in case they want to avail of company's products and services including Housing loans, Commuter benefits, disability loans, and educational partnerships, among many others.

Career Development

Career development of employees is addressed in two ways: the establishment of a standard career path that ensures growth or promotion of an employee and through personnel training. Career Development in Bank of America is an interlocked structure consisted of three critical facilitators namely the associates, managers and the organization. The first functions as the driver, second as facilitator in the process and the organization as the overall enabler. This framework is allied on the principle of 'the right person for the right job', which creates an environment in which the employee's individual needs conforms and compliments the needs of the organization.

A common strategy employed by companies designed to ensure commitment of members/ employees to organizations/ companies are geared towards the individual empowerment and success of each employee by investing in employee education and

training. Aside from keeping employees abreast with job changes brought about by technology, it makes them more productive and allows them to grow professionally.

The first step in the training design process is conducting a needs assessment. Strategic training and development initiatives should be committed to writing in the company's business strategy that is based on the business environment, and the company's goals and resources. The effectiveness of training highly depends on the needs of both the organization and its employees. There are common training needs of organizations which must be addressed based on the very nature of the organization as a group of people and based on its need to survive in the modernizing trends in its environment i.e. embrace of new technology.

Aside from company sponsored employee training and seminars, Bank of America also provides the opportunity for its employees to follow their inherent capacities and inclinations to create a more rewarding career through MBA Education Program and Tuition reimbursement policy; Internal job postings, which allows growth opportunities across functions; and the assignment or voluntary involvement in communities of interest.

Leadership Training. A big company like the Bank of America has nowhere else to go but to expand. Since 1998, it has principally pursued its expansion programs by acquisition of existing financial institutions and other companies, to wit: northeastern

banking behemoth Fleet Boston; credit card giant MBNA; U.S. Trust; ABN AMRO North and LaSalle Bank among others. (American Bar Association, 2007).

Whenever the bank pursues an expansion project through the acquisition of a financial institution, manpower leadership training always becomes necessary for two basic reasons: the need to learn the integration of the policies, strategies and operations of the merging companies and the opportunities for existing personnel of Bank of America to get promoted in leadership, managerial and supervisory roles or positions in the assimilation of the acquired company and implementation of the core values and strategic operations of the Bank of America.

On other hand, the need for Bank of America to address the weaknesses of its online banking services entails continuous training and development in terms of operations and technical expertise for its technical maintenance and online banking personnel to ensure that they remain abreast to any changes or advances in information technology.

Bank of America requires leadership training program for its consolidation projects with other companies. Bank of America set the qualities of a successful leader as follows: a focus on business growth; ability to lead; ability to execute; optimism; and upholding company values. (Fulmer, R.M. and Conger, J.A., 2004) Key competencies must be well defined in each category. For instance, deep/broad financial management and functional skills is necessary for growing business and the ability to create competitive and innovative business plans. In terms of leadership performance, the ability to align

enterprise capabilities, leverages teams to drive performance and inspire commitment is included. The need to instill management focus and discipline, build partnerships or make swift sound decisions are competencies for driving execution.

Organizational Development

The process in which managers develop or change their organization's structure is called organization design, which is primarily carried out to define the work specialization of every organizational component. Any organization starts with a simple structure, where individual roles are basically defined. There is no single type of organizational structure that is most effective. Organizational design depends on the objectives of the organization and follows the strategy the organization adopts to achieve that objective. Organizational design depends completely on how well it matches the particular environment and strategy. (Roberts, J. 2004) Different factors and circumstances are considered in designing organization such as the stability or innovative demands of the business environment.

To complement or supplement the training and development needs of Bank of America based on targeted results, it also created an organizational design that is dynamic organization ideal in order for creating a learning organization that encourage and provide employees the capacity to learn and to change more quickly.

In today's economy, an organization must be open and receptive to changes to adapt to the challenges of the constantly changing environment in which it thrive in order to remain responsive to the needs of the clients it serves. An organization's strategy must be adapted to changes in its competitive environment. This sometimes requires strategic change that creates the need for restructuring the organization to acquire new and different knowledge, skills and abilities. Technology also affects organizational design. For instance, computerization usually results into streamlining the organization by downsizing. Computerization also synergizes function which entail merging separate units.

The creation of a learning culture in Bank of America starts from the proper communication of the expectation that employees should take to enhance their skills and remain at the competitive edge in their professional expertise. It also provides the necessary resources, facilities and training to support this goal. The bank also impart to employees the specific needs of the company with which they to reconcile or balance individual and company objectives. Finally, such set up is properly inculcated to potential as well as new employees through wide information dissemination. The Bank of America website for one great resource of learning the cultural orientation that Bank of America would like to introduce.

Performance Management

“Perform well and get rewarded”. This is the underlying philosophy of Bank of America. Employees are rewarded for hard work. The Performance Management System is constituted by joint developmental needs identification during pay for performance cycle; continued coaching & feedback from supervisor and merit promotion system in which an employee can progress faster depending on performance and potential.

Moreover, Bank of America treats their workers like their valuable clients. It keeps in mind that the human resources are the major assets that constitute the organization or the company. All employees should be treated equally in terms of work amount, just remuneration and opportunities to grow. In the same manner, any form of prejudice or favoritism would be detrimental to maintaining fairness and equality among employees.

Finally, management and every employee recognize the crucial role each one plays in the achievement of the organizational objectives. Opportunities for employees to work interdependently are created which further help connect and improve communication and development of work teams.

Evaluation

The Bank also has a standard performance appraisal system by which all employees are fairly evaluated. This apparently includes typical criteria like absenteeism, courtesy among others. However, the Bank is more results oriented and gives more weight to an employee’s outputs, accomplishments and productivity. This is apparently in line with their perform well and get rewarded

Bank of America employs a nuance of empowerment evaluation where evaluation is democratized through the participation of employees. Instead of focusing on management alone, this approach focuses on decisions that emanates from a democratic process or based on the diffusion of power. (Fetter man, D. M., 2001). Empowerment evaluation is self-evaluation and reflection to help improve programs. People involved are empowered to conduct self evaluation at the same time a supervisor or boss coaches or helps facilitate the process. As such, this participatory evaluation creates a learning process for the recipients of the program that will help them reach their desired goals on a step by step process. Empowerment evaluation is a process controlled by people and done for the people. It is something they themselves undertake as a formal reflective method for their own development and empowerment.

Role of practitioners

Using the internal leadership and career development system of Bank of America may not be adequate considering the comprehensiveness of developing the key competencies required by the training. Also, in consideration of the magnitude and dispersed personnel of the company i.e. located in branches, there is a need to outsource or tap the expertise of external training service providers in order to meet the training demands in the most cost effective and fastest way. For one, online or web-based customized training must be developed in order to reach training participants the fastest way.

In considering an external training provider, Bank of America must carefully evaluate the external training's capacity and ability to deliver its requirements. The major requirements includes: the ability of the trainer to define success from the customer's (B&A) perspective (Sosa, J., 2004); development of success measures; consistency of internal success metrics with customer success metrics; expectation and success validity; among others. The external trainer must be able to address the following issues: development and design of a customized curriculum that will meet the needs of B&A; incorporation of existing learning content and tools to integrate organization-specific language, concepts, and competency model; training of internal facilitators from the company to be training resources; and conduct of training effectiveness and assessment to verify skill improvement.

Conclusion

The human resource department is an integral part of any organization. This is especially in the case of Bank of America where the human resource is at the core of its mission. Taking care of the human resource is of utmost important because it is the people who make up the organization and it is the people who actually bridge the objectives of the organization into action. The people are an important resource in any organization because they are the major source of ideas and active executers of service of any organization. The Bank of America HR department plays a critical role in managing the general welfare of the employees because the organization itself is the microcosm of the society it aims to build. Thus, it formulates its policies in such a way to reflect the ideal

community it wishes to build, a vibrant and pleasant community where opportunities abound for each and everyone.

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