



Research on Performance Management of Credit Business of Rural Commercial Banks

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ABSTRACT

With the gradual establishment of China's rural social security system, rural commercial banks are playing a huge role in improving the lives of farmers. At the same time, credit business volume of rural commercial banks is gradually expanding. The business performance appraisal of loans is also facing new challenges. Therefore, this paper will focus on the performance of rural commercial banks' loan business, study the new problems in the performance appraisal of this business field, and put forward targeted measures to further promote the development of rural commercial banks' loan services.

Keywords: rural commercial banks; Business; performance appraisal

1. Introduction

In the increasingly fierce competition among banks, in order to enhance the core competitiveness of commercial banks and continuously create value for shareholders, strengthening the application of the performance appraisal system is not just an important direction, but also a means. How to improve people's application of enterprise performance management technology, so as to realize enterprise internal control, improve and optimize the operating mechanism, promote rural commercial banks to operate better, and constantly improve the competitiveness of rural commercial banks. Performance appraisal is not just an information management tool, but also the most critical link in the period of operation and management. Accurate and perfect performance appraisal can not only bring some value to banks, but also promote the development of banks, so that their banks can achieve the goal of sustainable development as soon as possible. Based on this, commercial banks should pay attention to business performance appraisal and adopt effective appraisal methods.

2. Definition of Core Concepts

2.1. Credit Business

Credit, literally, refers to providing loan services to lenders according to their mercantile credit qualifications.

By charging a certain standard interest rate to lenders, it can make profits from the operation of commercial credit institutions. Loans are also the main channel for viable financial institutions to gain profits. However, due to the corresponding high risk of loan service, in order to repay the loan on time, profitable financial institutions will conduct qualification examination to the lender before lending, and only after strict examination can they land[1].

2.2. Performance Appraisal

Performance appraisal, as an important part of performance management system, refers to the appraisal object that compares work objectives with performance standards. The process of using scientific evaluation methods to evaluate employees' job assignments, their job roles and their progress, and feeding back the evaluation results to workers. Performance appraisal plays a critical role in stimulating the banking business. By conducting performance appraisal on the managers of various banks, enterprises can find out the problems in their work in time, thus effectively regulating the management strategies of banks and further promoting the banking business. Performance appraisal mainly means that enterprises make a quantitative evaluation of their work by adopting corresponding measurement methods, and make an effective evaluation of their work through the evaluation results, so as to realize the business strategy and work objectives of commercial banks, thus promoting the performance of human

resources management of enterprises, enhancing the business functions of financial institutions, and at the same time ensuring the fairness and justice of banking operations, thus improving employees' satisfaction with the work of enterprises. The ultimate purpose of performance appraisal is to increase the overall performance of workers, encourage them to achieve the greatest value in life, and thus improve the quality of management and operation of enterprise teams.

3. Analysis of the problems existing in the performance appraisal of credit business of rural commercial banks — Taking Jiujiang Rural Commercial Bank as an example

3.1. The performance appraisal system is not specific enough

Performance appraisal management is also called employee management. Performance appraisal management is the most critical procedure in bank management. Commercial banks can make use of employee management to further communicate between enterprises and employees, so as to find out the problems and shortcomings of employees in actual work, find out the causes of the problems and improve them, thus helping to improve the overall working quality of employees. At present, the performance appraisal system has entered all service industries in China, including Jiujiang Rural Commercial Bank. At present, there are still some defects in the development-oriented field of performance appraisal of Jiujiang Rural Commercial Bank. The overall performance appraisal concept of Jiujiang Rural Commercial Bank lacks specialty, so there are some disputes among different managers about the performance appraisal of loan business. Senior managers of Jiujiang Rural Commercial Bank All hope to mobilize their working passion by increasing the index of loan business volume, and at the same time increase the market share of the loan business. However, there are also some senior managers who consider that the loan business has certain operational risks. If only increasing the loan business is the standard, loan operative risks of Jiujiang Rural Commercial Bank will be increased. The dispute between senior managers of different enterprises on the concept of performance appraisal directly affects the construction of the whole staff system of Jiujiang Rural Commercial Bank, which makes the development direction of performance appraisal of Jiujiang Rural Commercial Bank not completely unified, nor can it give full play to the effect of rewarding and punishing employees.

3.2. Insufficient performance communication and feedback links

Generally speaking, performance feedback is one of

the principal links of performance appraisal management, because it can only be implemented after the performance appraisal is implemented, and it often includes the communication between the Bank management and employees. Only through the rational use of performance feedback, banks can develop their own problems in the development process, and put forward correct solutions according to the current business situation of enterprises, so as to conduct the strategic objectives of banks. The loan unit is a labor-intensive unit, the work tasks of the loan personnel are complicated, the scope of work is wide, and the processing time of the credit business is generally long, which determines that the work pressure of the lender is quite large. Some lenders can work up to 16 hours to complete the loan business. Lenders should have considerable anti-stress awareness and communication skills, and be able to communicate with customers; Should have considerable professional ethics and ability level, should know how to identify the financial risks of loans, and make loans according to the requirements of bank rules and regulations. Senior managers engaged in the credit business management of Jiujiang Rural Commercial Bank must have the leadership consciousness of managing grass-roots loan officers, exercise reasonable employee control over workers, and optimize the management strategies for workers through reflecting the results of performance appraisal.

3.3. The lack of professional performance management talent team

The implementation of a performance appraisal system is a relatively complex project, which requires powerful consulting banks and enterprises to accomplish the construction of the system, and more importantly, the coordination of the head of all positions and enterprises in the whole band. Based on the experience of banking projects, practitioners must master and improve advanced management ideas and techniques, and the establishment of performance appraisal system must have a group of talented people who understand the requirements of practical operation, have rich theoretical knowledge of business accounting, and master the design, operation and application of the system. However, as far as the current situation is concerned, there are no such people, and the overall quality of current personnel is not piercing. The core link of the project development must be highly valued by the Manager, which is the core link of the smooth progress of the project.

3.4. There are few financial service channels for customers

The construction of service channel is a necessary link to promote credit business products and expand business. On the basis of considering the sustainable construction cost of customer service channels, commercial banks can effectively integrate these service

channels, extract their essence, and develop a variety of service channels that really meet the actual needs of customer groups, which not only broadens the scale of customer loan business, but also improves the bank loan income. With the continuous development of global financial information technology, mobile banking and online banking electronic channels have been introduced, which are convenient, safe and efficient, and gradually replace the traditional manual business handling. However, at present, the main service channel of Jiujiang Rural Commercial Bank is still the traditional physical network, so it is necessary to go to the network counter and the credit department to handle the credit business, and it cannot be handled through the electronic channels related to mobile banking and online banking. Only the customary way of serving customers through outlets is limited, and the efficiency of business handling is low, which can't effectively meet the needs of customer loan business.

4. Suggestions for the problems in the performance appraisal of credit products of Jiujiang Rural Commercial Bank

4.1. Improve the credit business performance management system

In order to improve the management level of Jiujiang Rural Commercial Bank's credit service, and alleviate various problems in the current credit management process of commercial banks, commercial banks can establish a complete management system of business performance, and set up a "business department" management system according to the organizational structure of commercial banks and the characteristics of bank credit services. Commercial banks can also set up a special performance appraisal system, set a scientific and reasonable enterprise performance appraisal index system, and make a scientific and reasonable plan for the approval process of credit business, so as to ensure that all the processes of credit business follow scientific and reasonable approval norms, so that loan officers can complete the approval of loan business according to the lending norms of banks. In addition, the financial managers of commercial banks should also master the performance appraisal method, so as to make a fair and just performance appraisal for the credit officers, and make a quantitative appraisal of their professional level and work intensity through the performance appraisal method, which becomes the criterion for their performance appraisal[2]. Each branch should further improve the business performance incentive system, focus on evaluating KPI indexes such as savings, intermediary business income, debt efficiency, profit and low-risk return on capital of the branch and the financial business department to directly operated customers, and fully consider technical indicators such as the company's

daily operation, team management and service coordination, so as to ensure the smooth development of direct business services of large and medium-sized companies, and properly coordinate the common interests between business departments and market departments, branches and branches, so as to fully mobilize the enthusiasm of all staff.

4.2. Optimization of performance management communication and counseling

Performance communication is conducive to the communication between human resources management departments and personnel in the bank, so that the appraisers can see their own shortcomings and take appropriate action to correct them in time. However, the appraisers can see the defects of the existing performance mechanism of the bank through performance communication, and then take appropriate measures to further improve and improve the performance mechanism of the bank and motivate all employees, thus laying a solid foundation for improving the performance of performance management[3]. Performance Communication: Only through complete communication from the presentation and implementation of timely performance management objectives to the feedback in the later stage, can performance improvement be targeted and effective. Through the performance exchange, the bank's development strategy, the distribution of internal departments and the work functions of its personnel were clearly established, and then after continuous exchanges and mutual promotion, new problems were discovered and improved, and the overall design work objectives of assessment and management were achieved, thus laying a solid foundation for enhancing the competitiveness of banks and improving the successful implementation of the overall management and development objectives of banks. In addition, when interviewing bank employees, we should choose the right time and place, so that bank employees can feel that the bank cares about themselves and fully consider their needs. Therefore, They will also provide support in interviews to achieve the effectiveness of the meeting. When employees talk about their troubles, they will not only feel sorry, but will continue to work hard in the future; strive to improve their personal problems to further improve their job performance.

4.3. Strengthening the construction of credit business performance appraisal talented team

For commercial banks with durable capital operation as their long-term goal, people are seen as the core factor from the perspectives of business strategy, cultural construction and performance management. Therefore, it is necessary in order to introduce the index system of credit management personnel allocation, qualification recognition, turnover rate and retention ratio of central staff into the company management system, and

gradually realize the team building, managerial talent training and planning for key positions. At the same time, we can distinguish the performance of workers through evaluation, stimulate the vitality of the team, encourage performance feedback and counseling, and create a benign and soft working environment by using all employee care services. Under the new situation, due to the promotion of interest rate marketization, as well as the ever-changing market vigorous advance and horizontal competition, all commercial banks will generally face the problem of personnel shortage. We must reflect on how to respond to the more intense competition with a more active human capital strategy through a richer and more developed evaluation index system of worker retention rate in the center. We must reflect: how to provide a broad enough career platform by comprehensively exploring and cultivating industry opportunities, so that innovative employees who dare to try, experienced senior employees, experienced peers and new students who are full of passion can exert their personal potential on the stage of enterprises and create outstanding life values together.

4.4. Pay attention to the construction of financial service channels, reduce operating costs and improve business performance

With the advent of the era of "Internet Plus Big Data" and the deepening of financial information technology, traditional offline outlets can no longer meet the diversified needs of customers, and they have to rely on WeChat Bank, mobile banking and other online channels to better serve. This is because online electronic channels can make up for the disadvantages of traditional offline outlets to a great extent. For example, compared with traditional outlets, electronic channels have a wider radiation range and higher business efficiency, which can well meet the urgent financing needs of clients. Therefore, it is necessary to strengthen the construction of monetary service channels while developing credit business[4]. In the operation mode of the electronic channel, it is not only a simple change from offline service to online service, but also a need to make full use of electronic channel to better meet the needs of customers for their own development. First of all, the electronic channel can design the whole process that allows customers to handle the loan business by themselves, which can solve the customers' core needs of "less, more frequent and more urgent" loan business, meet their financing needs and improve the efficiency of business handling. Secondly, it can provide one-stop comprehensive financial services except credit business; Its comprehensive financial services mainly include payment and settlement, financial management and

wealth management. Finally, for banks, online big data obtained through electronic channels can not only accurately locate customer need, improve marketing efficiency, but also help to control bank risks. Paying attention to the construction of electronic channels does not mean giving up the traditional integration and optimization of outlets, but rather combining online services and offline services perfectly to achieve complementary advantages[5], so as to improve the financial service level of consumers.

5. Conclusions

To sum up, Jiujiang Rural Commercial Bank's credit business performance management problems are mainly caused by the lack of concrete performance appraisal in the credit business process, the lack of performance communication and feedback links, the lack of professional performance management talents, and the lack of financial service channels for customers. If commercial banks want to effectively control the performance management of credit business, they need to start from these four aspects, and formulate corresponding measures according to discrete problems. Aiming at these four problems, this paper puts forward some corresponding countermeasures, hoping to have precise guiding significance for the performance management analysis of commercial banks' credit business.

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