EMPLOYEES TRAINING AND ITS IMPACT: A CASE STUDY OF PRIVATE AND PUBLIC BANKS AT BARODA

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ABSTRACT

In the present scenario of globalization and liberalization, the intensity of competition increases day by day in all spheres of business and the banking sector is no exception. While all the resources at the command of an organization can be imitated by the competitor to have an edge over the rivals, it is the Human Resource (HR) which eludes the duplication due to its uniqueness. HR is not just a number game, it is the sum total of the inherited intelligence, acquired knowledge, learned skill and accumulated experience over the years. An organization which aspires to grow must be in tune with the changing needs of the society. Training becomes relevant in this context since it is only through training that the gap between performance of organization and the felt need of a changing society can be neutralized. Training reduces the gap by increasing employees’ knowledge, skills, ability and attitude.

Keywords: Return-On-Investment (ROI); Do Your Best (DYB); Skills-Set

INTRODUCTION

The importance of banks in the modern economy cannot be neglected. They occupy a very important place in the field of commerce and industry of any country. No country can achieve commercial and industrial progress in the absence of a sound banking system. The future of the banking sector appears quite promising though there are quite a few challenges to contend with. The customer is more discerning and has a much wider access to technology and knowledge. Hence the imperative need to roll out innovative customized products which will be the key differentiator amongst banks. Time and distance have shrunk and the internet has greatly facilitated global reach and therefore, evolution of delivery channels and interactive services have been a boon to banking. The core banking solution platform is being increasingly adopted by the banks to fully realize the opportunity thrown up by technology.

PROBLEM RECOGNITION

The globalization of economy, deregulation of interest rates and introduction of prudential accounting norms have introduce a new element of competition which has forced the bank to recast their old age systems and procedures and make them compatible to present system of deregulated economy. The introduction of information technology and mechanization of banks operation has changed the face of global banking like never before. Since banks are service organizations, their productivity and
performance depend upon the performance of its personnel. To increase the skill-sets, knowledge and adoptability of employees, training should be imparted to the employees. But merely imparting training to the employees is not enough, proper attention should be given to ascertain the attitude of employees towards training programmes and it must also be seen whether the training acquired is actually transferred or not. The present study mainly focuses on employees’ training attitude and its impact in private and public sector banks at Baroda.

OBJECTIVE OF THE STUDY
The present study has the following specific research objectives:

1. To examine the attitude of employees on various aspects of training viz. management’s attitude, selection process, quality of training, impact on individuals, impact on productivity and post training assessment.

2. To determine the association between personal factors of the employees and their attitude.

3. To ascertain the impact of attitudinal factors on the transfer of learning in banking sector.

REVIEW OF RELATED STUDIES
Planning is the first and most crucial function of management which tells where we should begin and how things will be well-organised in a system. Human beings are the most privileged animals of the creation because they need not start every new thing from the beginning. The past experience is always helpful to them. We learn from the past and make the plan for the future. In this context, a review is made of the existing relevant literature available on the topic.

Alexandros and John (2008) in “Employee perceived training effectiveness relationship to employee attitudes” investigated the relationship between perceived employee training effectiveness and job satisfaction, motivation and commitment. Design/methodology/approach - The study examined the responses of 134 employees and lower managers, of five large Greek organizations, after they had completed a training program. The questions asked contained information about the employee attitudes towards the training received, as well as their attitudes towards their employers. Findings - The results of the study provide support to the hypotheses proposed, indicating that there is a significant correlation between the employee perceived training effectiveness and their commitment, job satisfaction and motivation. Additionally, high correlations were found between the latter three variables. Research limitations/implications - The study is limited to examining employee feelings, not taking into account their personal characteristics, which may be important. Practical implications - The implications of the findings of this study for managers and especially for Human Resource professionals are quite significant, given their roles in funding, designing and delivering training interventions. Not only does it appear to be important, offering training programs to one's employees but, the training program content must be perceived as effective and of value to those participating in it. This will have a positive effect, according to the findings of this study, on key employee attitudes, which appear to be related to a greater or a lesser extent, in the pertinent literature, to organizational performance outcomes including, productivity, turnover and absenteeism Originality/value - The study is ground-breaking, given that there are no prior studies examining the relationship between the variables considered in the present one.

Barbara (2009) brought to light in “An unrelenting need for training” changes in the format of library materials, increased amounts of information, and the speed at which information is being produced have created an unrelenting need for training for library staff members. Additionally, library employees are retiring in greater numbers and their accompanying expertise is being lost. The purpose of this study was to document evaluation practices currently used in library training and continuing education programs for library employees, including metrics used in calculating return-on-investment (ROI). This research project asked 272 library training professionals to identify how they evaluate
training, what kind of training evaluation practices are in place, how they select programs to evaluate for ROI, and what criteria are important in determining an effective method for calculating ROI.

Brown and Warren (2009) in their article, “Distal goal and proximal goal transfer of training interventions in an executive education program” assessed transfer from a customized executive training program involving 89 public sector employees. Participants who set a distal goal had higher self-efficacy than those in both the “do your best” (DYB) and the proximal plus distal goal conditions. Participants who set proximal plus distal goals had higher maintenance than those who set distal outcome goals, and those who were urged to DYB. The distal goal participants had a higher level of applied generalization than their DYB counterparts. Maintenance did not differ between DYB and distal goal conditions.

Kundu and Handa (2008) did research on “Identification of training and development Needs: A Study of Indian and Multinational Companies”. Primary data based on 450 respondents of Indian and Multinational Companies operating in India was used to identify the needs of training and development programmes. Data was analyzed with the help of statistical tools like percentages, means and Analysis of Variance. The results showed that productivity emerged as number one variable as need identification objectives followed by personality development and high motivation. Both Indian and multinational enterprises gave emphasis on concern for knowledge, concern for skill and concern for attitude for identification of training needs. ANOVA and mean scores revealed that multinational enterprises executives seemed to have comparatively higher satisfaction from Training and Development needs identification than National enterprises executives.

RESEARCH METHODOLOGY

The present study is purely an exploratory study, dependent on both the primary and the Secondary sources of data. The primary sources of data constitutes the interaction (both formal and informal) of the researcher with the top managers and other officials who are directly associated with the Private and Public Banks at Baroda. The officials were selected on the method of purposive random sampling, in accordance with the problem of the study and the objectives in the light of which the study is to be directed. The Annual Reports of the concerned bank and the relevant literature and facts and figures available on the problem of the study in various books, journals, online materials and magazines constitute the Secondary sources of data.

RESEARCH DESIGN

The research study is descriptive in nature as the focus of the study is to find out associations of different aspects of employees’ attitude for the training programs organized by management and the various outcomes and benefits of transfer of learning.

Descriptive research is also called Statistical Research. The main goal of this type of research is to describe the data and characteristics about what is being studied. The idea behind this type of research is to study frequencies, averages, and other statistical calculations. Although this research is highly accurate, it does not gather the causes behind a situation. Descriptive research is mainly done when a researcher wants to gain a better understanding of a topic.

DATA COLLECTION

The universe of the research entitled “Employees’ training and its impact, a case study of Private and Public Banks at Baroda” is the personnel working in Private and Public banks at Baroda. The population is top level, middle level and junior level employees working in banking sector.

In order to get the required information, data was collected by primary as well as secondary method.

- The Primary data was collected through administration of structured questionnaires and personal interviews of the respondents.
- The secondary data was collected from internet, reports, journals, books, magazines etc.
Scaling Techniques

The questionnaire starts with the demographic profile of the respondents measured on the nominal scales and there are many related factors including the question asked on the Likert rating scale of one to five where one stands for highly insignificant and five stands for highly significant.

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Sampling Technique

Multistage sampling is used for the study where first stage consists selection of the quota of different levels of management. This is followed by judgemental sampling and snowball sampling according to which respondents were picked with the help of judgement and using the reference of selected respondents.

In judgment sampling, the researcher or some other "expert" uses his/her judgment in selecting the units from the population for study based on the population’s parameters.

Sample Size

The sample size taken is 300 respondents from various banks of Baroda.

Representative sample was taken to give a true and unbiased picture of the population. Utmost care has been taken to make sure that there is insignificant sampling error and the results of the sample study can be applied, in general, for the universe with a reasonable level of confidence.

- Top Level Management = 10% of 300 i.e. 30 respondents
- Middle Level Management = 30% of 300 i.e. 90 respondents
- Junior Level Management = 60% of 300 i.e. 180 respondents

Suggestions

It is difficult to measure productivity in financial services unlike in the rest of the service sector, since the quality of service in this sector is constantly improving due to greater convenient, speed and lower risk. Moreover, measuring the inputs used to produce outputs is not easy. Lack of consistent data also hampers researchers from analyzing the cost and benefits reliably. However, investment in training is justified by most CEOs as the cost for retaining good customer, attracting new ones and the better competitive advantage it provides.

Conclusion

When most people think of company training, in public sector bank the first thing that comes to mind is "inconvenience." Training conjures images of sudden scheduling; disruption of their personal life; travel; long, drawn out sessions and a sense of relief mixed with futility when it is over. But in private sector it is seen as an opportunity. It is found that the employees of the organization selected for the study have in general very high positive attitude towards the efforts made by the management for organizing training programs. As per the responses of employees, the management of the organization allots adequate funds for the training program as well as the employees are encouraged to participate in these training programs. It is also observed that the trainers of these training programs have enough interaction with the employees.

As a result of these training programs, the employees feel significant improvement in their personality, confidence level as well as in their competence/decision-making skills. These training programs also results in improved interpersonal relationships, quality of services, reduction in wastage of time and material, improved overall productivity and customer relationships.
REFERENCES


