

ANALYSIS OF TRAINING PRACTICES IN PUBLIC SECTOR BANKS FOR PROFESSIONAL DEVELOPMENT, EFFECTIVENESS AND RETURN ON INVESTMENT WITH REFERENCE TO SOUTH RAJASTHAN

Dr. Neeti Mathur

Assistant Professor
NIIT University, NH -8, Neemrana

Dr. Tripti Pandya

Assistant Professor
Madhav University, Pindwara Abu Road

ABSTRACT

Competent professionals are one of the most important prerequisite to maintain growth of any organization. Hence training is significant for employee development organization growth and customer satisfaction. The present study make an attempt to find out the significance of training in the public sector banks in South Rajasthan. This research paper analyses the significance of training in increase employee productivity, professional development and effectiveness of work done. The primary and secondary data was collected for the study. Sample of 220 executives and employees was collected from population by simple random sampling technique.

Keywords: Training Practices, Employees' Effectiveness, Employee Productivity, ROI.

INTRODUCTION

Training is the organized procedure by which people learn knowledge and skills and attitude for a definite purpose.

-Dale S. Beach

The bank and the employee are expected to evolve, flourish and advance concomitantly for the realization and accomplishment of correlative targets. Human Resource development can make this feasible.

In this venture, the management of bank requires to adopt modern techniques that incorporate training of an employee is said to be of a specific purpose and is also one of the elementary operative functions of personnel management.

Every single bank, stands in need of providing training to its members of staff regardless of their qualifications, skills and suitability for the job, at all the times. Accordingly, no bank organization whether large or small, commercial or cooperative or regional rural bank or development bank old or newly established bank can sustain to repudiate the essentiality to train its employees especially in this ever changing socio-economic environment.

LITERATURE REVIEW

Bhatnagar (1983) stated that the training aim is to improve employee performance. He insisted that the training programs for middle and top management intended to full fill the need of specific skill set required.

Patel (1984) has emphasis on training programmes which provide adequate knowledge of rural areas related problems. He also mentioned that it is required to overcome knowledge gap and information gap for bank norms development specifically in rural area banks.

Benson and Dundis, (2003) stated that the main aim of training and development should be to motivate employees due to the increasing demands, particularly when they are asked to meet these demands with fewer resources. The employees must feel secure, needed, and appreciated.

Ramakrishna et al. (2012) emphasis on effective execution of plans, policies and strategies developed by the banks for proper functioning.

Purohit (2012) in the study on HRD practices in co-operative banks, to evaluate the employee satisfaction. This study finds that training aids in good understanding

in job execution. This study also suggests the methods by which the co-operative banks employee can improve their work efficiency.

Sthapit (2012) evaluate the strategic human resource development factors which affected training efficiency in Nepali banks. The study found that induction training as most effective for learning and least effective on the behavior change.

RESEARCH METHODOLOGY

HYPOTHESIS OF THE STUDY

1. Training is important in improve their effectiveness of employee.
2. Training is important in in improve ROI of the bank.
3. Training is important in professional development.

DATA COLLECTION METHOD

The primary and secondary data used for the research work which was collected from employees, executives and customers of public sector banks in south Rajasthan and secondary data was collected from internet, periodicals and different reports related to public sector banks etc.

TOOLS OF PRIMARY DATA

- **Questionnaires:** Three detailed questionnaires were prepared to collect data from executives, employees and customers of public sector banks.
- **Personal Interview:** Personal Interview with the upper, middle and lower range of employees and also with the customers of the bank to verify the accuracy of the information gathered through questionnaires and seek further clarification.

Total Sample size is 220 from the population which comprises of executives and employees of public sector banks in South Rajasthan.

OBJECTIVES OF TRAINING

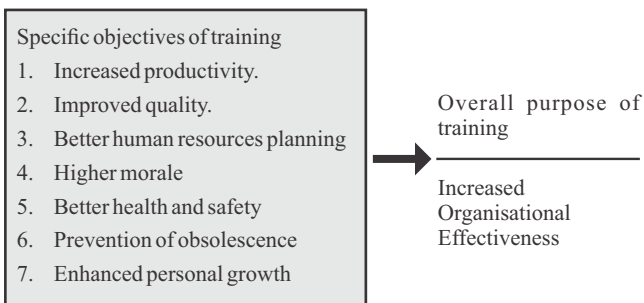


Figure 1.1 : Objectives of Training

BENEFITS OF TRAINING

Benefits of training are categorized in to two parts (i) Benefits to organizations and (ii) Benefits to employees.

[I] Benefits to Organisations

Training programmes are essential to meet different organizational situations and problems particularly demand change, new product development, automation and to meet the market completion. The major benefits of training to an organization are:

1. **Increase Productivity:** Trained employee perform better in their assignment. It enhances skills. Increased performance, and productivity are most evident on the part of new employees who are not yet fully aware of the most efficient and effective ways of performing their jobs. Enhanced skill usually helps to increase both quantity and quality of output.
2. **Good Organization Climate:** Good Organization climate is outcome of a well-planned training programme. Increased morale, less supervisory pressures, improved product quality, increased financial incentives internal promotions, etc. Result in better organizational climate.
3. **A reduced amount of Supervision:** Trained employee do not require constant supervision.
4. **Improve technological adoption:** Trained employee easily adopt the technological changes.
5. **Optimum use of Resources:** Well-trained employee use resources optimally. The result is resource waste reduction.
6. **Avoids Accidents:** Training helps in avoiding accidents.
7. **Improves Quality:** Product, work and operation quality improved by proper training.
8. **More loyalty:** Training helps in building group cohesiveness which results in loyal workforce.

[II] Benefits To Employees:

1. Trained employee feel more confident and become more efficient in their work.
2. Training contribute in their personal growth as they learn new skill sets by training.
3. Well trained employee have higher potential of earning. It also contribute in their career growth.
4. Technical training helps employee to cope up with technical changes.

AREAS OF TRAINING

Organizational performance improved by training. The major training areas are as follows:

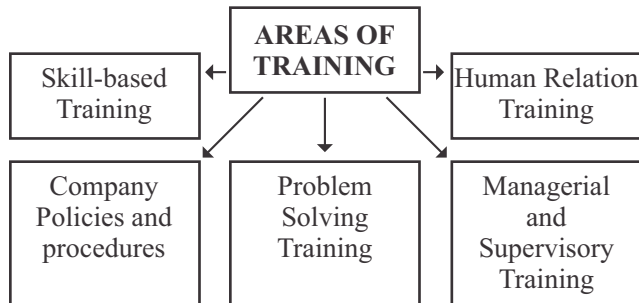


Figure 1.2
Areas of Training

- (1) **Skill-based Training:** This type of training helps in improving work efficiency and help employees to acquire knowledge of new skills and technologies.
- (2) **Company Policies and procedures:** To know about companies policies, procedure, rules and regulations is always required. Training helps organization to know about the organizations' regulatory framework.
- (3) **Problem Solving Training:** training helps the employee to visualized problems from different angles hence help them in decision making process.
- (4) **Managerial and Supervisory Training :** Training facilitate employees to be trained in planning, staffing, organizing, supervising and directing etc. So that they can play different roles in organization and put further steps towards moving ahead in their career path.
- (5) **Human Relation Training :** As the employees work with different employees in hierarchy and department so human relation training is important to maintain group cohesiveness and team hey learn how to manage human relationship. It also reduces chances of grievance.

TRAINING IN PUBLIC SECTOR BANKS

Due to the impact of reforms and globalization which is expected to take a new turn from the year 2005 and the new standards of performance, the public sector banks are in a transition mode. the success of the organization depend upon the capacity of that organization to face the global competition, in terms of better technology, product

offerings and delivery channels, lower intermediation costs etc.

Banking is a service industry in this industry, technology, capital, products can be varied more easily it is difficult to replace knowledge of worker. We can impart training to these worker we can make them fit in the changed atmosphere. This training programme should focus on:

- (i) To include deep commitment to deal with the challenges of future,
- (ii) Developing team spirit in the employee so that they can work together to achieve organizational objectives.

Training on behavioral management such as self-confidence, motivation, leadership, initiative integrity, optimism, opens to change self- management, team work etc.

They should be trained on using latest technology to delivery product and service – Employees should learn operational skill and should also understand how to explore system to enhance business performance.

Trained the staff in specific technical skills such as marketing, Risk management, Asset liability management etc. Training has become imperative for meeting the challenges and opportunities. There is a great need for changes in mind-set in the human resources available within the bank. Mindset needs to change at different levels to keep in tune with changing time and requirements.

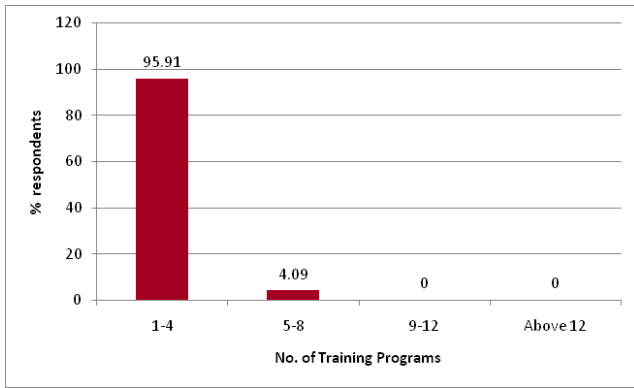
It has become necessary for banks to function effectively in the changed situation need "Effective bankers" and efficient Bankers only to deliver the service and products.

RESEARCH FINDINGS RELATED TO TRAINING IN PUBLIC SECTOR BANKS

Table 1.1

Distribution of respondents on the basis of average number of training programs organized by the bank in a year.

Number	N	%
1 - 4	211	95.91
5 - 8	9	4.09
9 - 12	0	0.00
Above 12	0	0.00
Total	220	100.00



Graphs 1.1

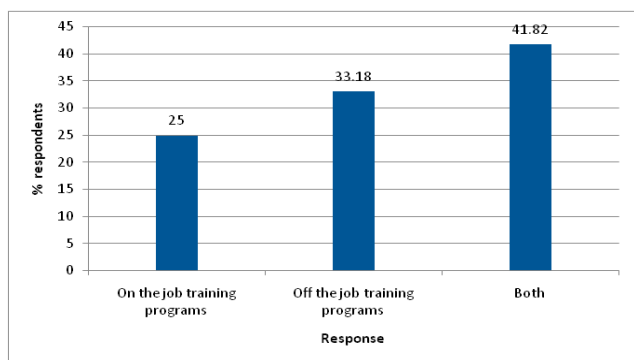
Distribution of respondents on the basis of average number of training programs organized by the bank in a year

Table 1.1 helps in the assessment that on an average how many training programs does the bank arranges in a year, than the greatest no. of respondents, 211 out of 220 (95.9%) responded that 1-4 programs were organized by their bank in a year whereas 0% respondents belonged to the two categories i.e. 9-12 training Programs and above 12 training programs were planned by the bank in a year, and only 9 respondents out of 220 (4.09%) replied that 5-8 training programs are arranged by their bank in a year.

Table 1.2

Distribution of respondents on the basis of methods of training programs used during service their period

Response	N	%
On the job training programs	55	25.00
Off the job training programs	73	33.18
Both	92	41.82
Total	220	100.00



Graphs 1.2

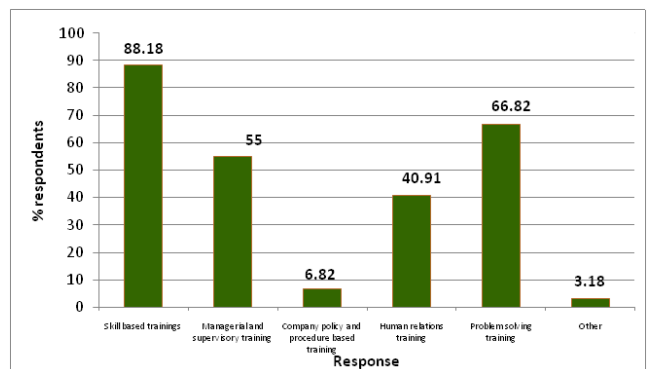
Distribution of respondents on the basis of methods of training programs used during service their period

Table 1.2 The opinion of employees regarding the method of training programme was divided into 3 categories. Minimum (25%) said that they were gone through on the job training programmes, 33% said that they had gone through off the job training programmes and the maximum no. of employee respondents (41.82) said that for their training programme both the techniques of training off the job as well as in the job were used by the bank.

Table 1.3

Distribution of respondents on the basis of areas in which they would like to attend training programs to improve their effectiveness

Response	N	%
Skill based trainings	194	88.18
Managerial and supervisory training	121	55.00
Company policy and procedure based training	15	6.82
Human relations training	90	40.91
Problem solving training	147	66.82
Other	7	3.18



Graph 1.3

Distribution of respondents on the basis of areas in which they would like to attend training programs to improve their effectiveness

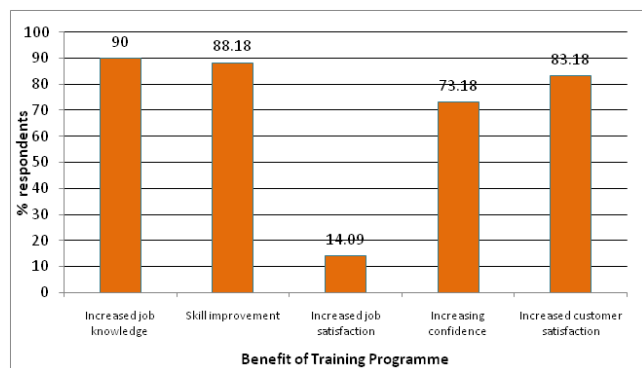
Table no. 1.3 is a multiple response table which reveals the various areas of interest of employees in which they would like to attend training programmes to improve their effectiveness, where 88.18% respondents replied that they would like to attend skill based training programmes, 66.82% responders answered that they would opt for problem solving training programs, 55% answerers

responded that they would have a preference for managerial and supervisory training, where as 40.91% respondents said that they require training programmes based on human relations, while 6.82% employee respondents replied that they would prefer company policy and procedure based training programmes to improve their effectiveness and only 3.18% employee respondents desired to get trained in some other areas.

Table 1.4

Distribution of respondents on the basis of their opinion regarding benefits from training programmes

Areas	N	%
Increase job knowledge	198	90.00
Skill improvement	194	88.18
Increase job satisfaction	31	14.09
Increase confidence	161	73.18
Increase customer satisfaction	183	83.18



Graph 1.4

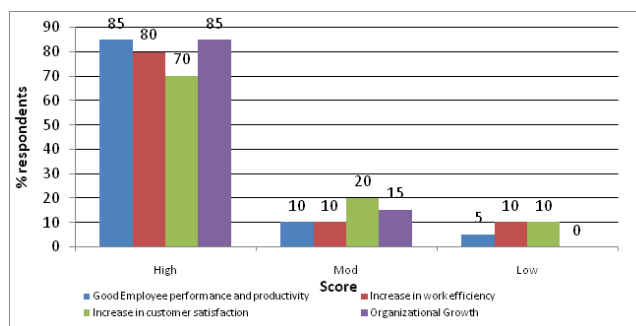
Distribution of respondents on the basis of their opinion regarding benefits from training programmes

Table no.1.4 throws light on the various advantages of training programs attended by respondents, where 90% respondents replied that it improves their job knowledge, 88.18% said that it enhances their skills, 73.18% employee respondents responded that it is a good confidence booster and 83.18% respondents replied that it helps in increasing the customer satisfaction and 14.09 % replied that it increases job satisfaction.

Table 1.5

Distribution of respondents on the basis of their opinion towards ROI on training and development programs

Output	High	Mod	Low	Rank
Good Employee performance and productivity	85.00	10.00	5.00	2
Increase in work efficiency	80.00	10.00	10.00	3
Increase in customer satisfaction	70.00	20.00	10.00	4
Organizational Growth	85.00	15.00	0.00	1



Graphs 1.5

Distribution of respondents on the basis of their opinion towards ROI on training and development programs

In Table 1.5 executive respondents were requested to give their opinions on the Return on Investment on training and development programs, organized for over all development and growth of the bank and its employees. Different outputs were ranked and the responses for each output were classified into three categories-high, moderate and low depending upon their degree of agreement with a particular outcome. 1st rank is allotted to organizational growth as 85% responses belong to high category, 15% in moderate category and 5% in low category. With 85% replies falling in high category, 10% in moderate category and 5% in low category, 'good employee performance and productivity' is assigned 2nd rank. Next in the row, with 3rd rank is, given to an increase in work efficiency' as 80% responses are in complete accordance with it, 10% in partial accordance and 10% executives disagreed. 'Increase in customer satisfaction' is specified 4th rank with 70%, 20%, 10% as high, moderate and low category responses respectively.

CONCLUSION

It has been observed in the research study that employee themselves feel that training is very essential for professional as well as organizational development. It contributes in overall growth of employee and organization in various aspects discussed in the research paper. It helps in acquiring knowledge and skill set which is required for their professional and organizational development. It also facilitate in achieving organizational mission and vision. It has been found that the skill based trainings are the preferred by the employees. Employee also believe that training increase their performance, productivity and work efficiency.

REFERENCES

- Agrawal K. P., "Education and Training system for Banks: A Rejoinder", *Prajnan*, 7 (1-4), 1978, 195-203.
- Bhatnagar, D. "Managerial Roles, Skills and Training in Banks: Need for a Direct Linkage", *Prajnan*, 12(1), 1983, 167-183.
- Guest D (2002). 'Human Resource Management, Corporate Performance and Employee wellbeing: Building the worker into HRM'. *The Journal of Industrial Relations* 44:3 335-358.
- Harrison, R. (2000) *Employee Development*, (2nd ed) London. Institute of Personnel and Development.
- Khandelwal, A.K., 'Human Resource Development in Banks', Oxford and IBH Publishing Co., 1988, New Delhi.
- Patel, K. V. (1984). "Research support for rural banking training", *Prajnan*, 13(1-4), 1984, 215-229
- Pathak Neetu (2008), "Corporate Training Programme- An Effective Instrument for Organization", *The Indian Journal of Commerce*, Vol.61, No.3, pp113-119.
- Philips J, *Handbook of Training Evaluation and Measurement Methods*, Gulf Publishing, 1990.
- Prasad Lal, *Personnel Management & Industrial Relations in Public Sector*, Progressive Publishing, Bombay, 1973.
- Purohit Manisha (2012), "An Evaluation of HRD Practices Followed in Co-operative Banks in Pune Region", *ACADEMICIA: An International Multidisciplinary Research Journal*, Volume 2, Issue 8, pp 186-195.
- Robert E. Gibson, *Wages and Salaries* (Revised Edition, American Mgt. Association, Inc. New York).
- S.Hamiod, P.Mohan Raj, J.RAjnikant(2014) Volume 2, Issue 5, May 2014 *International Journal of Advance Research in Computer Science and Management Studies*.
- S.K. Bhatia, *Principles and techniques of Personnel management / Human Resource management*, deep & Deep Publications Pvt. Ltd. New Delhi.
- William, J.P., *Employees Induction and Training*, 'Indian Management', Journal, Jan-Feb 1967.