



EFFECTIVENESS OF TRAINING AND DEVELOPMENT – A CASE STUDY OF PUBLIC AND PRIVATE BANKS

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Abstract

Drastic revolution has been taken place in training and development for current scenario in banking sector. Due to the technological changes and banking environments, training and development has become challenging task for both public as well as private sector banks. It is essential to understand cause and effects among bank employees regarding training and development. This study concentrates to understand the effectiveness of training and development programs on bank employees of public as well as private sector banks.

This study is based on primary data as well as secondary data, survey has been conducted through structured questionnaire for public as well as private sector bank employees. The data has been collected from 100 respondents to understand the effectiveness of training and development programs in banking sector in Mysore. The researcher uses the 5 point likert scale for testing the statistical significance and for data analysis, researcher used ANOVA. This paper understands overall function and effectiveness of training and development in banking sector.

Key Words: *Training and Development, Bank Employees.*

Introduction

Training and development are more sustainable for development of any banking sector. The globalization concept and industrialization directly impact on performance of the organization because the new innovative technologies in banking sector and other related industrial development in global era require suffocated knowledge for banking employees. For this reason every banking sector should moving towards organize on effective training program to tune their employees knowledge to present requirement. Training is an important part of the human resource development, along with the other human resources activities, such as recruitment, selection and compensation. However, in this paper made on attempt to explore the respondent opinion through the questionnaire related training and development given by banking sector.

Training and Development

Training is about acquisition of knowledge, skills and abilities through professional development. The definition helps to understand training given below, **chowdhry (1986)** "Training is a process, which enable the trainees to achieve the goals and objectives of his the organization". **Sign (1995)** defined training as the "process of changing attitude, improving knowledge and developing of the person/ employees of organizations, so also enable them to perform their jobs effectively". According to the **Business dictionary**, "Training and development is a official and ongoing educational activities within an organization designed to enhance the fulfillment and performance of employees. Training and development programs offered by a business might include a variety of educational techniques and programs that can be attended on a compulsory or voluntary basis by staff".

Review of Literature

A.Mani, Dr. P.A. Joy(July 2012) Effectiveness of training among bank employees: a Comparative study of selected public and private Sector banks in India, Concludes that a separate body should be allocated to continuously assess the technological and social changes to inherit the same in the aspect of training.

Ekta Srivastava, Nisha Agarwa(Jan 2014),Impact of Training on Bank Employee Performance: A Comparative Study of Public Sector Bank and Private Sector Bank in India, Conclude that training of private sector banks are better than public sector banks. Public sector banks have to improve their training so that performances of employees are improved and profit of bank increases.



K. karthikeyan et la (2010) Impact of training in Indian banking sector- an empirical investigation concludes that every organization needs to have well trained and experienced people to perform the activities that have to be done. As jobs become more complex in the banking sector, the important of employee training has increase.

Muhammad Farhan Akhtar et la (April2011), Extent of training in banks and its impact on employees' motivation and involvement in job, conclude that training for employees of an organization is considered very much important in order to achieve excellence and competence.

Sulu Babaita ISIAKA (2011), Motives for training and management development in the Nigerian banking industry, results shows that banks sees training and management development as important factor s as well having motives for investing in training and management, these motives includes new technology; productivity; responding to skills deficiencies, moral duty.

Statement of the Problem

The development of banking sector is depend on the quality of employees working in banking sector compare to corporate sector and banking sector give much important to innovation technologies, because the majority of the it's income depend on effective management of its activities in today an certain market environment. This reason this study was conducted to know the training and development program in public and private sector and is there any difference in their training programs, given their employees.

Scope of the Study

This study mainly focused on effectiveness of training and development programs, content of training programs and efficiency and knowledge of trainer. For this, the researcher has collected data from Public sector banks 50 respondent and private sector banks 50 respondents in Mysore city. Respondent include clerk, cashier, probationary officers and assistant managers.

Objectives

1. To study the various training and development programs offered by public and private sector banks in Mysore city.
2. To analyze the effectiveness of training and development programs on employees of public and private sector banks in Mysore city.

Hypothesis

H₀-“The existing training system in the bank is effective” .

H₁- “The existing training system in the bank is ineffective”.

Methodology: This study used the descriptive research design. 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.

Sample Design

1. **Sampling Unit:** This study selected by public and private sector banks in Mysore city constitutes in sampling unit.
2. **Sample Frame:** Sample frame includes clerk, cashier, assistant manager, general manager and probationary officer.
3. **Sample Size:** Sample size used in this study is 100 respondents. Both public sector bank 50 and private sector bank 50 employees.
4. **Selection of Banks:** In this study selected four banks in that two public sectors banks and two private sectors banks like SBI and SBM, HDFC and ICICI.
5. **Sampling Techniques:** In this study using simple random sampling techniques to collect the data from both sector banks in Mysore city.
6. **Source of Data Collection:** This study covered both public as well as private sector banks data has been collected through systematic structured questionnaires. Questionnaires have been distributed both public



sectors as well as private sectors banks. In the privates banks data has been collected from SBI and SBM. The total 50 questionnaire have been distributed to the various designated employees like cleric, cashier, assistant manager, and probationary officer. In the private banks data has been collect from the employees of HDFC and ICICI banks. Here also the study considered various designations of the employees such has cleric, cashier, assistant manager, and probationary officer. Secondary data is obtained from the published sources like the annual reports of the bank and publications of other relevant institutions on banking like RBI and other government and non-government sources.

7. **Statistical tools:** In this study using percentage analysis and ANOVA with the help of SPSS20.

Data Analysis and Interpretation

Table1 Distribution of Bank Employees on The Basis of Age

Category	Public Sector Banks		Private Sector Banks		Total	
	No	%	No	%	No	%
20 TO 30	12	24	12	24	24	24
31 TO 40	13	26	13	26	26	26
41 TO 50	14	28	13	26	27	27
AQBOVE 51	11	22	12	24	23	23
Total	50	100	50	100	100	100

Source: Primary Data

Interpretation: The distribution of the bank employees on the basis of age has been analyzed, in the above table show that 12 respondent are age group between 20-30, 13 respondents are age group between 31-40, 14 respondents are age group between 41-50, and remaining 11 respondents are age group between above 51 in the public sector banks and 12 respondent are age group between 20-30, 13 respondents are age group between 31-40, 13 respondents are age group between 41-50, and remaining 12 respondents are age group between above 51 in the Private Sector Banks.

Table2 Distribution of Bank Employees on the Basis of Gender

Category	Public Sector Banks		Private Sector Banks		Total	
	No	%	No	%	No	%
Male	36	72	34	68	70	70
Female	14	28	16	32	30	30
Total	50	100	50	100	100	100

Source: Primary data

Interpretation: The distribution of the bank employees on the basis of Gender has been analyzed; in the above table show that majority 36 respondents are male and remaining 14 respondents are female in the public sector.34 respondents are male and remaining16 respondents are female in the public sector banks.

Table3 Distribution of Bank Employees on the Basis of Qualification

Category	Public Sector Banks		Private Sector Banks		Total	
	No	%	No	%	No	%
PUC	6	12	4	8	10	10
Graduation	17	34	18	36	35	35
Post graduation	14	28	16	32	30	30
Others	13	26	12	24	25	25
Total	50	100	50	100	100	100

Source: Primary data



Interpretation

Table 3 show that 6 respondent are PUC, 17 respondents are Graduation, 14 respondents are Post graduation, and remaining 13 respondents are Others qualification in the public sector banks and 4 respondent are PUC, 18 respondents are Graduation, 12 respondents are Post graduation, and remaining 12 respondents are Others qualification in the Private Sector Banks.

Table4 Distribution of Bank Employees on the Basis of Designation

Category	Public Sector Banks		Private Sector Banks		Total	
	No	%	No	%	No	%
Clerk	12	24	13	26	25	25
Cashier	16	32	15	30	31	31
Assistant manager	11	22	13	26	24	24
Probationary officer	11	22	9	18	20	20
Total	50	100	50	100	100	100

Source: Primary data

Interpretation

The distribution of the bank employees on the basis of Designation has been analyzed, In the above table 4 show that 12 respondent are Clerk, 16 respondents are Cashier, 11 respondents are Assistant manager, and remaining 11 respondents are Probationary officer in the Public sector banks and 13 respondent are Clerk, 15 respondents are Cashier, 13 respondents are Assistant manager, and remaining 9 respondents are Probationary officer in the Private sector banks

Table5 Distribution of Bank Employees by Type of Training Attended

Category	Public Sector Banks		Private Sector Banks		Total	
	No	%	No	%	No	%
On-the-job training	23	46	27	54	50	50
Off-the-job training	27	54	23	46	50	50
Total	50	100	50	100	100	100

Source: Primary data

Interpretation

In the above table show that 23 respondents are you attending an on-the-job training, 27 respondents are you attending an off -the-job training in the public sector banks and 27 respondents are you attending an on-the-job training, 23 respondents are you attending an of-the-job training in the private sector banks.

Table6 Distribution of Bank Employees on the Basis of If You, How Long Ago

Category	Public Sector Banks		Private Sector Banks		Total	
	No	%	No	%	No	%
2 weeks	14	28	15	30	29	29.0
1-2 months	14	28	13	26	27	27.0
3-6 months	11	22	10	20	21	21.0
Above 6 months	11	22	12	24	23	23.0
Total	50	100	50	100	100	100.0

Source: Primary data



Interpretation

Table 6 shows that 14 respondents are training attending 2 weeks ago, 14 respondents are training attending 1-2 months ago, 11 respondents are training attending 3-6 months ago, and remaining 11 respondents are training attending above 6 months ago in the public sector banks and 15 respondents are training attending 2 weeks ago, 13 respondents are training attending 1-2 months ago, 10 respondents are training attending 3-6 months ago, and remaining 12 respondents are training attending above 6 months ago in the Private Sector Banks.

ANOVA for Sectorial Differences (Public and Private)

H_0 -“The existing training system in the both banks is effective”.

H_1 - “The existing training system in the both bank is ineffective”.

*Difference is significance at .05 levels.

	Public sector		Private sector	
	F	Sig.	F	Sig.
Training as a part of Organizational strategy.	2.524	0.009*	1.108	0.046*
Training at your banks is planned and systematic.	3.375	0.026*	5.217	0.003*
Are you motivated and satisfied by the training programs of your banks.	5.898	0.002*	1.574	0.209
The training and development programs reduce the level of stress.	1.68	0.004*	1.642	0.043*
Do you think training improve the skill, knowledge, leadership and managerial skill of an employee.	0.157	0.025*	2.177	0.004*
Do you often receive training at of your banks (performing training need analysis).	3.912	0.014*	4.06	0.012*
Training offered by your organization, as an invest for your right as a staff.	0.15	0.929	5.263	0.003*

Interpretation

In the above table show that in the public sector banks Training as a part of Organizational strategy ($F=2.524$: $P=0.009$), Training at your banks is planned and systematic ($F=3.375$: $P=0.026$), Are you motivated and satisfied by the training programs of your banks ($F= 5.898$: $P= 0.002$), The training and development programs reduce the level of stress ($F=1.68$: $P=.004$), Do you think training improve the skill, knowledge, leadership and managerial skill of an employee ($F=.157$: $P=.025$), Do you often receive training at of your banks ($F=3.912$: $P=.014$), P value are less than 0.05 it is significant hence we accept null hypothesis. But the p value of Training offered by your organization, as an invest for your right as a staff ($F=.15$: $P= .929$), are more than .05.

In the private sector banks Training as a part of Organizational strategy ($F=1.108$: $P=0.046$), Training at your banks is planned and systematic ($F=5.217$: $P= 0.003$), Are you motivated and satisfied by the training programs of your banks ($F= 1.574$: $P=0.209$), Do you think training improve the skill, knowledge, leadership and managerial skill of an employee ($F=2.177$: $P=.004$), Do you often receive training at of your banks ($F=4.06$: $P=.012$), Training offered by your organization, as an invest for your right as a staff ($F=5.263$: $P=.003$), P value are less than 0.05 it is significant hence we accept null hypothesis. But the p value of the training and development programs reduce the level of stress ($F=1.642$: $P=.043$), are more than .05.

Findings

1. Majority of the 28% respondent age group comes under the 41-50 years in public sector banks. Where has 26 % of respondent in private sector bank age group between 31-40 and 41-50 years?
2. 72% of respondent are male in public sector banks and only 68% of respondent in private sector banks.
3. On the basis of designation majority of 32% of respondent are cashier, 24 % of respondent are clerk in public sector and 30% of respondent are cashier in the private sector banks.



4. The qualification of the respondent in public sector bank 34% are graduates and 28% of respondent are post graduation completed but in private sector banks 36% of respondent are graduation and 30% of respondent are post graduations.
5. More number of respondent that is 54% of public bank employees attended a of the job training but in private sector bank employees majority 54 % of respondent are attended a on the job training.

Suggestion

1. In the public sectors bank employees who are undergoing for training is in the age of between 41-50 hence bellow 40 year of employee should also need training.
2. According to this study male employees are more (70%), and only (30%), of female employees, hence it is necessary to promote female employees.
3. In the private sectors banks minimum qualification is graduation but for clerical job private banks considering a PUC (10+2), hence to improve quality work and error free work it is better to take candidate who obtain minimum graduation.
4. For female employees training is a essential in local place where they do work. When the researcher discussed orally majority of the female employees said that training programs required the local place but normally training programs are conducted in the head office, divisional office.

Conclusion: The effectiveness of training in the banking sectors is fruitful. Private sectors bank is utilizing their employees in a optimum level because of implementation of systematic training programs. Private sectors banks are focusing training and development program at an entry level for the employees, promotion is purely based on performance of employees. Training is compulsory's for all type of employees, new jonnies and promoted employees. In the public sectors banks just one month training programs provided to the new joiners in the clerical designation. For the probationary officer the period of probationary is two years which is treated as a training but probationary officer involves in the routine banking activates. Majority of the training programs conducted in the public sectors banks for this employees of the bank manager and above because they need to handle subordinate. Both public as well as private banks implemented training programs in a systematic and effective manner, private sectors bank focusing more on entry level of training normally for youngster but in the public sectors banks training are more for the top level managers.

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