

A Study of Training programs Effectiveness for Human Resource Skill Enhancement with Special Reference to Baking Industry

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Abstract: This paper investigates the effectiveness of training programs for human resource enhancement in the banking industry. Human resource enhancement is about how they can actualize their fullest potential and creates new possibilities in future. In the present scenario banks are constantly changing their business models, design of their products and services to cope with the enhanced customer expectations. So effectiveness of banks depends directly on how capable its human resources thus, Human resource is the key element for success. The equitable attitude towards training and its application to the actual job depend on employee's inducement for development. For this study the researcher has chosen IDBI Bank's employees to find out the effectiveness of training on enhancement of human resource various skills. The result indicates that training aspire human resource response for development because training programs play significance role to enhance their different skills like knowledge, Interpersonal skills, Communication skills, leadership and customers dealing skills and also to improve their capabilities to produce better result in future.

Keywords: Human Resource, Banks, Training, Skill, Enhancement, effectiveness

1. Introduction

At the global level, with the increased competition in business, organizations started to look at the ways for creating competitive advantage on the basis of their viable and knowledgeable human resources. It is the people who make other resources moving. In different functional areas like production, marketing, finance they perform various activities in business. To face the environmental challenges, human resources are assumed to play the important role. The efficiency and effectiveness of an organization depends directly on how capable its human resources are and how effectively the organization is utilizing them. Thus, Human resources are the key element for any organization success.

The Banking sector in India is People-oriented. This sector is more and more knowledge supported. In the present scenario banks are constantly changing their business models and design of their products and services which are demanded by the growing economy. To cope with the enhanced customer expectations, facing market competitiveness and also coping with the changing banking regulations and policy procedures, banks also coping with the some internal challenges like generating team work, improving productivity and develop an efficient human force to perform in this era of competition. Following are the reasons which show the need to improve the efficiency of the human resources:-

Due to technology infusion and outsourcing innovation and for better risk management globalization has vastly transformed the banking sector. The going development in the global markets offers multiple opportunities to the banking sector, which can only be possible to grab when they have efficient and skilled workforce.

The customer requirements may vary day by day because of the changing economic scenario. So banks modify their products customer friendly, otherwise the obsolescence of products may divert the customers to other banks.

Every bank in order to survive and to be effective should adopt the latest trends of the markets, so new banking services required specialization in the area of mutual funds, factoring leasing merchant banking etc.

In banks human resources are entrusted to perform different roles and responsibilities. Individual capability of a person depends on his ability to work and the training provided to them. Training enables them to carry out these roles and responsibilities efficiently and also learn new things, which will prepare them to take up higher responsibilities in the future. It is the effective tool for organizations to help their employees to gain proper knowledge and skill needed to meet the environmental challenges. To evaluate the effectiveness of training is challenging, because it deals with knowledge retention and behavior of human resource with regard to their profession demand. In banking industry, training plays a critical role to achieve higher productivity and better customer services. Training reduces the gap between actual and

anticipated levels of knowledge, skills and attitude which interface with a person's potentials for assuming higher responsibilities.

2. Review of literature

S. Rammarayam, T.V. Rao & Kuldeep Singh (2004) "Organization Development: Interventions and Strategies". This edited volume provides a comprehensive structure for the organization development process in India. In this volume one section describe the concepts and interventions of organizational development. In second section they discussed about the Indian experience in the application of organization development in public sector corporations. The third part of this deals with the contemporary and often unresolved issues of the organization like how organizational politics affect organization development interventions in the business.

"Influence of HRD climate on the learning orientation of bank employees" Indian Journal of Industrial Relations (2008), stated that a supportive and productive environment is essential for effective learning and development of human resource. The culture of collaboration, team spirit and commitment of top management towards human resources development initiatives is required.

FICCI report (2010)"Indian banking system: The current state & road ahead" finds that the growth of banks retail operations and financial inclusion depends on the product differentiation and innovations. Customer orientation is also significant factor for their cross selling of the products. For the growth and to increase the profitability of banks need to move beyond retail banking expand their fee- based operations also.

Report on Trend & Progress of Banking in India (2010-11) stated that Indian banking sector is facing the problem of high transaction costs, lack of awareness about the financial products among the customers. A major challenge for baking sector is to financing self-employed micro and small sector business entrepreneurs. Apart from this financing for affordable housing and fulfill the need of low income households education loan is also a big challenge for banks.

D Subbarao (2010), 'Five Frontier Issues in Indian Banking', Speech delivered at 'BANCON 2010', Mumbai, December stated to increase the profitability and reduce operating expenses as ratio of assets to increase other income is very significant. Due to technological advancements the operating expenses to total average assets also shows a declining trends during the last one decade.

NSDC report "Human resource & skill requirement in banking, financial service sector (2022)" stated that in the current economic situation, Public Sector Banks as well as Foreign Banks facing difficulty in hiring highly qualified employees as their biggest human resource threat ahead of high staff cost overheads, approaching skilled staff and high attrition rates. Training of an employee is a vital aspect of human resource development and banks are no exceptions of it. Over the last few years, banking as an industry has undergone certain perceptible changes which call for increased emphasis on this important component of HRD policy.

3. Objective of the study

The objective of the study is to identify the effectiveness of training programs in human resource inducement as well as to know the significance of the training programs in enhancement of various skills and knowledge of human resources.

4. Hypothesis of the study

H₀ – There is no significant association between training programs effectiveness and human resource skills enhancement.

H_a – There is a significant association between training programs effectiveness and human resource skills enhancement.

5. Research methodology

This study is based on the primary source of data and a structured questionnaire has designed to know the enhancement of human resources towards development and the impact of various training programs conducted by the banks. In this research training is independent variable and the dependent variables are employee's knowledge, Interpersonal skills, Communication skills, leadership and customers dealing skills. Questionnaire has filled by 153 randomly selected employees of the IDBI bank, as per secondary source is concerned information has gathered from review of annual reports, published articles, and books.

6. Employees Transformation in Banking

Training is greater significant in the context of growth and to face competitiveness in the banking sector. Banks has been recruiting a large contingent of young officers with professional qualifications and trained them to ensure flawless banking operations and ensure their contribution towards growth. Market forces imposed the challenges of new demand on the employees of middle and senior level. For effective branch operations systematic efforts have been made to provide quality training to improving and enhancing competencies of the staff. And also to increase Banks market shares service excellence has to be developing regarding handling compliance, products and on marketing to raise ranking of business. Apart from inducting new officers into the system, middle and senior level officers have also provided opportunities through workshops to hone their decision-making skills and broaden their business perspective. Bank is committed to the development of its human resources through a combination of interactive classroom sessions, external training programs, both domestic and international, and structured e-learning modules.

Profile of Respondents

The age groups of the respondents are divided into three categories: (a) 20-24 years, (b) 25-29 years, (c) ≥ 30 years. The 8% of the respondents belong to 20-24 years age group and 38% belong to the age group of 25-29 years. Rests of the 54% of the respondents belong to the age group of 30 or more than 30 years. The highest numbers of the respondent lies in the age group of the above 30 year. Among these 73% of the respondent are males and 27% respondents are female.

	Male	Female
UG	20	9.68
PG	12.73	14.52
MBA	41.82	38.71
M.Phil	0.00	9.68
CA	7.27	9.68
CAIB	9.09	9.68
MCA	3.64	4.84
LLB	1.82	0
B.Pharm	1.82	0
PhD	1.82	3.23

Table - 1.1

Profile of Respondents' Qualification

Value in percentage

Table 1.1 reveals the qualification level of respondents. Among them maximum number of male respondents (41.82%) and female respondents (38.71%) are professionally qualified (MBA), post graduate male respondents (12.73%) and female respondents (14.52%) are the second most qualification profile of the respondents. and male respondents (20%) and female respondents (9.68%) are graduate and the rest of the respondents are having other professional qualification.

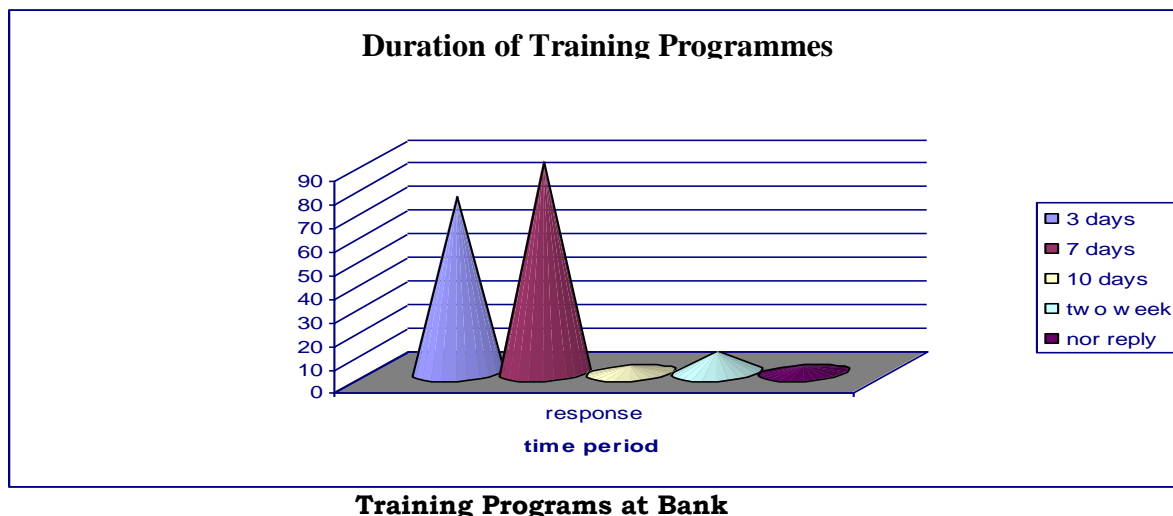
Duration of Training Programs at Bank

Duration of training program is very important and while deciding the duration of program it must be consider that all topics are covered in depth along with group discussions and appropriate duration to solve the problems of the employees. Figure 1.1 shows that 50% of training programs duration are of 7 days and 41.67 % training programs duration are of 3 days. Only 5% of the training programs duration is of two week.

Table 1.2
Duration of Training Programs

Duration	Rank
3 days	2
7 days	1
10 days	4
Two week	3

Figure 1.1



To meet the vast training requirements for the entire spectrum of human resources, banks are providing various types of training to its employees like for new recruited employees' induction training has organized, to cope with recent changed technology technical training has been conducted, to provide better customer services to banks, customer behavioral training programs, sales & customer dealing programs are organized.

TABLE -1.3
Training Programs at Bank

Type of Training	Rank
Induction Training	1
Behavioral Training	3
Sales & Costumer	2
Technical Training	4
Others	5

Figure 1.2

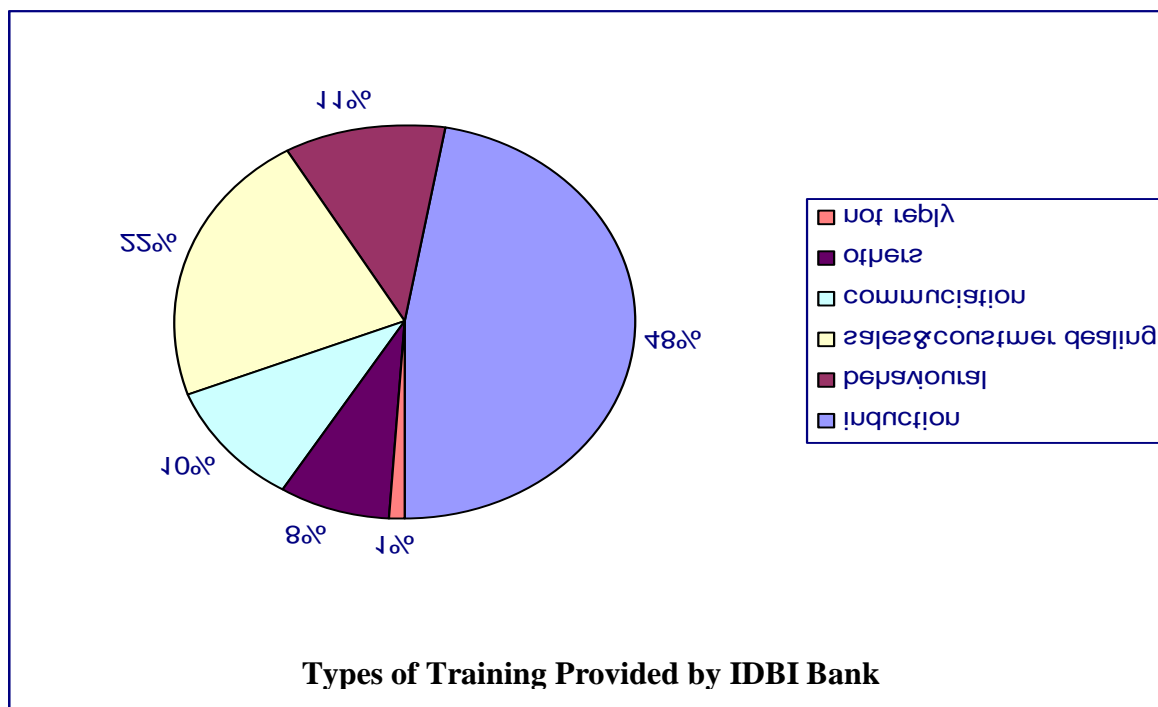


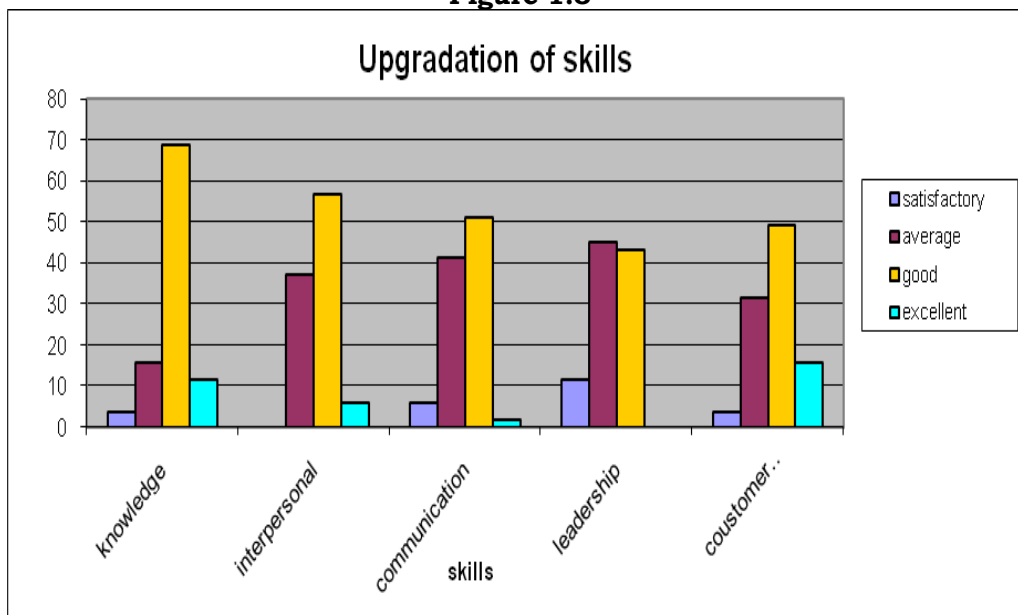
Table 1.3 shows that mostly the bank provides induction training (47.19 %) to its employees, sales and customer orientated training programs (22.47%) are the second most type of training provided by the bank, thirdly Behavioral Training (11.24%) is provided by the bank to its employees, fourthly (10.11%) training is related with the Technical aspects, and then followed by other training programs (7.87%) which is related to the forex, export import etc.

Training Upgrade Employees skills

Figure 1.3 shows the up gradation of various skills through training programs. According to (11.76%) respondents training programs are excellent and (68.63%) respondents are agree that the training program are good enough to increase their knowledge level. According to (56.86%) respondents agree that the training programs are good enough to increase their Inter personal

skills, and (50.98%) respondents agree that these programs are good to enhance their communication skills. According to (43.14%) respondent training also increase their leadership skill, and (15.69%) agree that program conducted at bank are excellent and (49.02%) remark that training programs are good to increase their customers dealing skills.

Figure 1.3



Testing of hypotheses

With the application of Chi-square, the researcher is trying to know whether there is association between training programs effectiveness and employees up gradation of different skills like knowledge, interpersonal skill, communication, customer dealing and leadership skills and customers dealing skills etc so that their inducement level increases. Chi-square is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. This test is a technique, through which it is possible to test the goodness of fit.

TABLE - 1.4

TRAINING PROGRAMS EFFECTIVENESS AND ENHANCEMENT OF EMPLOYEES SKILLS

Various Skills	Calculated Value	Critical Value	Results Ho is
Knowledge	159.71	7.2	Rejected
Interpersonal	131.94	7.2	Rejected
Communication	112.18	7.2	Rejected

Leadership	93.82	7.2	Rejected
Customer Dealing	70.29	7.2	Rejected

Table 1.4 shows that the calculated value of χ^2 is greater than the critical value of χ^2 (7.2) in all the five skills. The null hypotheses (H_0) that is the training function in banks has not been able to upgrade the performance of employees is rejected in all the above five aspects of skills. And the alternative hypotheses training function in banks has been able to upgrade the performance of employees is accepted which shows that the training function in bank is able to enhance the different skills of the employees like interpersonal skill, communication, customer dealing and leadership skills etc.

7. Findings

The banking industry in India is recognized not merely a means of financing economic activity but as a catalytic agent in the development process. The line of succession of banks in the area of diversification, globalization and emerging trends required specialist and trained manpower. So extensive and intensive training efforts are done by banks in the present time. The following suggestions may prove useful for improving the overall training system of the banks as well as to fulfill the aspiration of human resources for their development:-

- The training must not be taken as residual work but it must be given due importance. Banks must formulate and announce their training policy considering the training need in search of its corporate goals as well as identified by the individual for his/her own professional growth should be correlated.
- Training programs should be technology-driven, so that employees may learn the new advancements in the related area.
- Banks may sponsor high level academic courses in information technology with specialization in banking technology at the premier institutes. And training should be organized at the work place for certain routine applications.
- Personality development and behavioral skills to be more added with the training program and more time should be given in programs.
- Seniors should also be participating in the training programs to increase moral and enthusiasm level of employees and to making training more effective.
- The success of a training system largely depends upon the quality of faculty members, the selection and development of faculty must be taken-up sincerely and seriously. Identification of such officers who have aptitude for teaching with good academic record. And after selection, they should not immediately be posted to the training institutes. They should be deputed to attend an intensive faculty development program of say one month or so.
- Duration of training for new joined should be increased. Class room training for new recruits should be minimum a month. So that they are well versed with system / procedures in the Bank before they are put to actual task/job.
- Prior designing the training program, the feedback should be taken from all the participants about what they aspect from the program .to make training program more effective. The training program should be more interactive and senior guest faculty should be invited for the lecture and share their experiences.
- The training policy and organizational structure and systems and procedures should be revised at least in every year. The training system should focus more attention on the research and in-house counseling. The trainers should be available on-line also, so that the employees can get benefits as and when required.

- There should be more participative trainings. Learning through practical activities should be involved such as innovative team building games and strategic games.
- Training programs should be designed in such a way so that all the required information can be covered along with group discussion. It should cover the recent trends along with geographical needs prevailing keeping in mind the practical aspects and problems which one is facing actually when he/she is on job.
- Complete list and required process flow of various services/products available with the bank shall be discussed so employees can provide satisfactory guidance to clients. Client must feel that they can go in any branch and they will get proper guidance about the products of the banks.

8. Conclusion

From this study, researcher can interpret that the training aspires human resource response for enhancement because these effective training programs play significant role to enhance their different skills like knowledge, learning and also to improve their capabilities to produce better result in future. The only thing required for this is to develop a positive attitude towards these learning programs. Training is an effective media which can strengthen the ability of human resources to cope with the competitive global challenges for banking industry. Hence, the alternative hypothesis (H_a) of the study has accepted i.e. there is a significant association between training programs effectiveness and human resource skills enhancement.

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