

TRAINING AND DEVELOPMENT—AN ANALYSIS OF EFFECTIVENESS IN SELECT PUBLIC AND PRIVATE BANKS IN VIJAYAPURA

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ABSTRACT

In current scenario, drastic revolution is taking place in training and development in banking sector. Due to the technological changes and banking environments, training and development has become challenging task for both public as well private sector banks. It is essential to understand cause and effects among bank employees regarding training and development. This study focuses 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 from public as well as private sector bank employees has been conducted using structured questionnaire. The data has been collected from 100 respondents to understand the effectiveness of training and development programs in banking sector in Vijayapura. , 5 point Likert scale was used to test the statistical significance and for data analysis using ANOVA. This paper helps to understand overall function and effectiveness of training and development in banking sector.

KEYWORDS: *Training and Development, Bank Employees*

INTRODUCTION

Training and development are more sustainable for development of any banking sector. The globalization concept and industrialization directly has impact on performance of the organization because the new innovative technologies in banking sector and other related industrial development in global era require profound knowledge for banking employees. For this reason, every banking sector should move towards organizing an effective training program to tune their employees knowledge. Training is an important part of the human resource development, along with the other human resources activities, such as recruitment, selection and compensation. In this paper, an attempt is made to explore the respondents' opinion through the questionnaire related to 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 organization". Sign (1995) defined training as the "process of changing attitude, improving knowledge and developing of the person/ employees of organizations, and also enable them to perform their jobs effectively". According to the Business dictionary, "Training and development is an official and ongoing educational activity within an organization, designed to enhance the fulfilment 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 for increasing profit of bank.

K. karthikeyan et al (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 ought to be done. As jobs become more complex in the banking sector, the important of employee training has increased.

Muhammad Farhan Akhtar et al (April 2011), 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 an important factors as well as 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 dependent on the quality of employees working in banking sector. When compared to corporate sector, banking sector give much importance to innovation technologies, as the majority of the its income is dependent on effective management of its activities in today’s market environment. With the backdrop of the above, this study was conducted to know the training and development program in public and private sector and identify if there is any difference in their training programs, given to their employees.

SCOPE OF THE STUDY

This study mainly focuses on effectiveness of training and development programs, content of training programs and efficiency and knowledge of trainer. For this, the data were collected from 50 respondents, each from public and private sector banks, limiting to Vijayapura city. Respondents include Clerk, Cashier, Probationary Officers and Assistant Managers.

OBJECTIVES

- To study the various training and development programs offered by public and private sector banks in Vijayapura city.
- To analyze the effectiveness of training and development programs imparted to employees of public and private sector banks in Vijayapura city.

HYPOTHESIS

- H_0 : “The existing training system in the bank is effective”
- H_1 : “The existing training system in the bank is ineffective”

METHODOLOGY

Descriptive research design is used in this study. The main objective 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

- **Sampling Unit:** Public and Private sector banks in Vijayapura city constitutes the sampling unit.
- **Sample Frame:** Sample frame includes Clerk, Cashier, Assistant manager, General Manager and Probationary Officer.
- **Sample Size:** Sample size used in this study is 100 respondents, with 50 respondents from public sector bank and 50 respondents from private sector bank.
- **Selection of Banks:** In this study, one public sector bank and two private sectors banks namely SBI, HDFC and ICICI were selected respectively. Sampling Techniques: In this study, a simple random sampling technique is used to collect the data from both sector banks in Vijayapura city.
- **Source of Data Collection:** This study covered both public as well as private sector banks. Data was collected through systematic structured questionnaires. Questionnaires have been distributed to both public sectors as well as private sectors banks employees. For the public sector bank, data was collected from SBI. The total 50 questionnaire were distributed to the various designated employees like Clerk, Cashier, Assistant Manager, and Probationary Officer. For the private banks, data was collected from the employees of HDFC and ICICI banks. Here also, the study considered various designations of the employees such as Clerk, 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.
- **Statistical Tools:** In this study, ANOVA with the help of SPSS20 is used for percentage analysis.

DATA ANALYSIS AND INTERPRETATION

Interpretation: In the above table, the distribution of the bank employees on the basis of age has been analyzed. It shows that 12 respondents are in the age group between 20 to30, 13 respondents are in the age group between 31 to40, 14 respondents are in the age group between 41 to50, and remaining 11 respondents are in the age group of above 51 from the public sector banks. For private sector employees, 12 respondents are in the age group between 20 to30, 13 respondents are in the age group between 31 to40, 13 respondents are in the age group between 41 to50, and remaining 12 respondents are in the age group of above 51.

Interpretation: The distribution of the bank employees on the basis of Gender has been analyzed; In the from the Table 2, it shows that majority of the respondents (36 respondents) are male and remaining 14 respondents are female in the public sector. 34 respondents are male and remaining 16 respondents are female in the public sector banks.

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

Interpretation: The distribution of the bank employees on the basis of designation has been analyzed. In the from table 4, it shows that 12 respondents are Clerk, 16 respondents are Cashier, 11 respondents are Assistant Manager, and remaining 11 respondents are Probationary Officer in the Public sector banks. In Private sector banks, 13 respondents are Clerk, 15 respondents are Cashier, 13 respondents are Assistant manager, and remaining 9 respondents are Probationary officer.

Interpretation: In the from table 5, it shows that 23 respondents are attending on-the-job training, 27 respondents are attending off -the-job training in the public sector banks and 27 respondents are attending an on-the-job training, 23 respondents are attending off-the-job training in the private sector banks.

Interpretation: Table 6 shows that 14 respondents are training attending since 2 weeks ago, 14 respondents are attending training since 1 to2 months ago, 11 respondents are attending training since 3 to6 months ago, and remaining 11 respondents are attending training since 6 months ago in the public sector banks. In the private sector banks, 15 respondents are attending training since 2 weeks ago, 13 respondents are attending training since 1 to2 months ago, 10 respondents are attending training since 3 to6 months ago, and remaining 12 respondents are attending training since above 6 months ago.

Table 1: Distribution of Bank Employees on the Basis of Age

Category	Public Sector Bank		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
ABOVE 51	11	22	12	24	23	23
Total	50	100	50	100	100	100

Source: Primary Data

Table 2: Distribution of Bank Employees on the Basis of Gender

Category	Public Sector Bank		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

Table 3: Distribution of Bank Employees on the Basis of Qualification

Category	Public Sector Bank		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

Table 4: 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

Table 5: 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

Table 6: 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

ANOVA for Sartorial Differences (Public and Private)

- **H₀**: “The existing training system in the both banks is ineffective”
- **H₁**: “The existing training system in the both banks is ineffective”

Interpretation: from Table 7, for the public sector banks, it shows following results when sartorial differences were analyzed. “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 and 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 and 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.

Table 7

	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*

Difference is significance at .05 level

FINDINGS

- Majority (28 %) of the respondents’ age group comes under the 41 to 50 years in public sector banks. Whereas 26 % of respondents in private sector banks are in age group between 31 to40 and 41 to 50 years.
- 72 % of respondents are male in public sector banks and only 68% of respondents are in private sector banks.
- With respect to designation, majority of 32 % of respondents are cashier, 24 % of respondents are clerk in public sector and 30 % of respondents are cashier in the private sector banks.
- With respect to the qualification of the respondents in public sector banks, 34 % are graduates and 28 % of respondents are post graduates whereas in private sector banks, 36 % of respondents are graduates and 30 % of respondents are post graduates.
- More number of respondents, that is, 54 % of public bank employees attended on the job training and in private sector bank, majority of 54 % of respondents attended on the job training.

SUGGESTIONS

- In the public sector bank, employees who undergoes for training is in the age group of between 41 to50 and hence employees with below 40 years needs training.
- According to this study, as much as 70 % are male employees whereas only 30% are female employees. Hence, it is necessary to promote female employees.

- In the private sector banks, minimum qualification is graduation and only for clerical job, private banks consider PUC (10 + 2). Hence, to improve quality and error free work, it is better to recruit candidates who obtain minimum graduation.
- For female employees, training needs to be conducted at the work place where they are based out of. When the researcher asked orally, majority of the female employees wanted training programs to be conducted in the local place where they work. But, normally, training programs are conducted in the head office, divisional office.

CONCLUSIONS

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 for all type of employees, be it new joiners or promoted employees. In the public sectors banks, just one month training programs was provided to the new joiners in the clerical cadre. For the probationary officer, the period of probationary is two years which is treated as training, but probationary officer involves in the routine banking activities. As Bank Managers and above cadre are required to handle subordinates effectively, more number of training programs needs to be conducted in the public sector banks. Both public as well as private banks implement training programs in a systematic and effective manner. Private sector banks focus more on entry level of training, which are normally for youngsters, whereas in the public sector banks, training are focussed more on the top level managers

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