



A STUDY OF THE EFFECTIVENESS OF TRAINING AND DEVELOPMENT IN BANKING SECTOR- A CASE OF ORIENTAL BANK OF COMMERCE, HYDERABAD

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ABSTRACT

The Indian banking industry is continuously going through a process of transformation since nineties, due to the introduction of Liberalization, Privatization and Globalization (LPG), Information and Communication Technology (ICT). Training and development is significant a part of the human resource management. Employees are entrusted different roles and responsibilities in the banks. 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. The aim of this study is to examine the effectiveness of training and development and how employees perceive in banking sector. Quantitative method through questionnaire survey is used for data collection in which questionnaire is distributed to respondents. Simple percentage analysis, Chi square test was used for evaluation. The study is carried out in Oriental Bank of Commerce(OBC) in Hyderabad region.

Keywords: Training and Development, Human Resource Management, Effectiveness of training and development, Chi square test, OBC.

1. INTRODUCTION

Training & Development is any attempt to improve current or future employee performance by increasing an employee's ability to perform through learning, usually by changing the employee's attitude or increasing his or her skills and knowledge. The aim of any training programme is to

provide instruction and experience to new employees to help them reach the required level of performance in their jobs quickly and economically. For the existing staff, training will help develop capabilities to improve their performance in their present jobs, to learn new technologies or procedures, and to prepare them to take on increased and higher responsibilities in the future.

1.1 Training and Development in banks

In Banks, there is a need for the continuous training and development of the staff in the areas of customer care services on operational aspects and behavioral aspects of the business. The training needs are assessed through task analysis and performance analysis, which can be conducted through surveys, or from the information furnished by the heads of the departments, customer complaints, even from the reports on 360 degree feedback systems. In case of a large banks, there are two ways of conducting training programmes – through an established department having a full time HRD functionary who oversees all the training and development functions of the Banks or through an external trainers coordinated by the HRD department. These days Banks have recognized the need for training and re-training their staff, in order to develop a competitive edge over their competitors in delivering high quality services to the customers. Traditionally, banks have recruited young school leavers, and their initial training was either long apprenticeship or on-the-job or formal training in basic routine operations. Aspirants to management position were encouraged to qualify professionally by reading for associate-ship of the Institute of Bankers or an equivalent qualification. It was argued that banking requires exercise of sound training and development programmes for their employees.

1.2 Differences between Training and Development

Employee training is different from management development or executive development. While the former refers to training given to employees in the operational, technical and allied areas, the latter refers to developing an employee in the areas of principles, and techniques of management, administration, organization and allied ones.

Basis	Training	Development
Contact	Technical skills and knowledge	Management and behavioural skills and knowledge
Purpose	Specific job-related	Conceptual and general knowledge
Duration -	Short term	term Long-term
For-whom	Mostly technical and non managerial personnel	Mostly for managerial personal
Goals	Fix current skill deficit	Prepare for future work demands
Focus	Current job	Current and future jobs
Orientation	Job oriented process and is Vocational in nature.	It is general in nature and strives to inculcate initiative, enterprise, creativity, dedication and loyalty among the employees.

2. LITERATURE REVIEW

The revolution has made in the banking sector changed from the traditional mode of operation to presumably better ways with technological innovation that improves efficiency.

Jadhav (2013) studied the training programmes undertaken by banks for their employees. The main objectives of the present study were to analyze effectiveness of training and development programmes for employees to discharge their duties and to study how training and development programmes helps to achieve customer satisfaction. It is concluded that private and public Indian banks undertake training and development programmes for their employees to increase their efficiency.

Training is the act of increasing the knowledge and skills of an employee for performing a particular job. The major outcome of training is learning. A trainee learns new habits, refined skills and useful knowledge during the training that helps him improve performance. Training enables an employee to do his present job more efficiently and prepare himself for a higher level job. (**V S Rama Rao,2010**).

3. OBJECTIVES OF THE STUDY

- 1) To know the opinion of the respondents on training and development programmes organized in Oriental Bank of Commerce, Hyderabad.
- 2) To find out the effectiveness of training and development programmes on employees in improving their skills.

4. RESEARCH METHODOLOGY

Type of Universe: Finite

Research Design: Descriptive

Data Collection: Primary data (Questionnaire filled by the bank employees) & Secondary data include reference books, journal, research papers and internet.

Sampling Technique: Random sampling

Size of Sampling: 30 employees from Oriental Bank of Commerce in Hyderabad Region.

5. DATA ANALYSIS & INTERPRETATION

The data will be analyzed to determine the effectiveness of training and development programmes on employees in improving their skills and employees perception levels.

5.1 Analysis of Data

Table 1: Age of Respondents

Opinion	No. of Respondents	Percentage (%)
18-25	09	30
25-30	12	40
30-35	06	20
>35	03	10
Total	30	100

Inference: The above table shows that 30% of the respondents are at the age group from 18-25years, 40% respondents are from 25-30 years of age, 20% of the respondents are from 30-35 years of age and 10% of the respondents are above 35 years of age.

Table 2: Educational Qualification of Respondents

Opinion	No. of Respondents	Percentage (%)
Diploma	06	20
UG	15	50
PG	09	30
Total	30	100

Inference: The above table shows that half of the respondents completed UG, 20% of the respondents completed Diploma and remaining 30% of the respondents completed PG.

Table 3: Genders of Respondents

Opinion	No. of Respondents	Percentage (%)
Female	12	40
Male	18	60
Total	30	100

Inference: The above table shows that 40% of the respondents are female while 60% of the respondents are male.

Table 4: Relationship between Norms and values of the organization to new employees and Induction training

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Norms and values of the organization are clearly explained to new employees during induction training.	20	06	02	02	00	43.98

Inference: Table 4 shows relationship between the Norms and values of the organization to new employees and Induction training. It can be inferred that, 86.67% of the respondents say that induction training has a high priority to explain the norms and values of the organization to new employees. However 6.66% of them neither agree nor disagree followed by disagree with 6.66%. From this, it can be concluded that the organization makes efforts to bring awareness and disseminate about the induction training program and provide brief explanation about the norms and values of the organization to new employees.

Table 5: Relationship between Training and development program and quality and productivity of work

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Training and development program conducted was improved the quality and productivity of work	02	02	10	16	00	30.64

Inference: Table 5 shows relationship between the training and development program and quality and productivity of work. It can be inferred that, 13.33% of the respondents say that training and development program conducted was improved the quality and productivity of work. However 33.33% of them neither agree nor disagree followed by disagree with 53.33%. From this, it can be concluded that the training and development program not boosting employee satisfaction and confidence level that's affects on the quality and productivity of work.

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Training objectives are clear while conducting training sessions	06	20	2	2	00	43.98

Table 6: Relationship between Training objectives and training sessions

Inference: Table 6 shows relationship between the training objectives and training sessions. It can be identified that, 86.67% of the respondents say that training objectives are clear while conducting training sessions. However 6.66% of them neither agree nor disagree followed by disagree with 6.66%.From this, it can be concluded that the training program creates a better learning environment by guiding trainees to set goals.

Table 7: Relationship between trainer and trainees

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Interaction between trainer and trainees is adequate	18	12	0	0	0	48

Inference: Table 7 shows relationship between the trainer and trainees. It can be identified that, 100% respondents say that there is adequate interaction between trainer and trainees. From this, it can be concluded that the trainer of training program tells trainees about leading people to change, moderating discussions, building moments of reflection, being an expert and sharing his/her expertise, presenting and mentoring so that they motivates towards organization.

Table 8: Relationship between Methods used for training and effectiveness of training

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Methods used for training is the most appropriate and effective	16	14	0	0	0	45.33

Inference: Table 8 shows relationship between the Methods used for training and effectiveness of training. It can be identified that, 100% of the respondents say that there is appropriate and effective methods used for training. From this, it can be concluded that the Methods used for training is for awareness about Visual Confirmation, Social Ownership and Skill Assessments which is more effective for trainees.

Table 9: Relationship between Trainers encouragement and participation from trainees

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
A trainer encourages questions and participation from trainees.	06	22	02	00	00	57.33

Inference: Table 9 shows relationship between the trainers encourages questions and participation from trainees. It can be identified that, 93.33% of the respondents say that there is trainers encourages questions and participation from trainees. However 6.66% of them neither agree nor disagree. From this, it can be concluded that the trainers Challenge trainees to solve problems by using brainstorm techniques, some role-plays to allow trainees to feel comfortable, reduce trainee's fears and to increase their participation.

Table 10: Relationship between Training and development program and promotion, other monetary benefits.

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Training and development program helps employees in promotion and other monetary benefits.	06	04	10	10	00	11.99

Inference: Table 10 shows relationship between the Training and development program and Promotion & other monetary benefits. It can be identified that, 33.33% of the respondents say that there is training and development program helps employees in promotion and other monetary benefits. However 33.33% of them neither agree nor disagree followed by disagree with 33.33%. From this, it can be concluded that the training is essential for knowledge transfer and promotes job satisfaction.

Table 11: Relationship between Training and development program and the stress level of employees.

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Training and development program reduces the stress level of employees.	11	18	00	01	00	44.33

Inference: Table 11 shows relationship between the Training and development program and the stress level of employees. It can be inferred that, 96.66% of the respondents say that there is training and development program reduces the stress level of employees. However 3.33% of disagree with this. From this, it can be concluded that the training encourage employees to cultivate their internal social network, help employees design their jobs to be as rewarding as possible and communicate clearly and often about everything important.

Table 12: Relationship between Customer service skills and training program

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Customer service skills improved after training program	09	19	01	01	00	43.99

Inference: Table 12 shows relationship between the Training and development program and Customer service skills. It can be identified that, 93.33% of the respondents say that there is Customer service skills improved after training program. However 3.33% of them neither agree nor disagree followed by disagree with 3.33%. From this, it can be concluded that the training tells that: improved customer service + increased customer satisfaction + increased customer loyalty = an increase in profit.

Table 13: Relationship between Employees technical and interpersonal skills and training program

Opinion	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Chi-Square test
Employees improved technical skills and interpersonal skills through training	09	19	02	00	00	44.33

Inference: Table 13 shows relationship between the Employees technical and interpersonal skills and training program. It can be inferred that, 93.33% of the respondents say that there is employees improved technical skills and interpersonal skills through training. However 6.66% of them neither agree nor disagree. From this, it can be concluded that the training teaches to develop social and general awareness about things, try to solve conflicts and willingness to change to grab changing technical abilities.

6. CONCLUSION

From the foregoing analysis it can be concluded that the Oriental Bank of Commerce's employees makes efforts to bring awareness and disseminate about the induction training program. Training

and development program creates a better learning environment by guiding trainees to set goals, for knowledge transfer and promotes job satisfaction. Training and development program is useful for Skill assessments which is more effective for trainees to improve customer service skills, interpersonal skills and technical skills. Growth of banking sector in india is the result of skilled manpower which is the outcome of training and development.

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APPENDIX

Questionnaire on “A study of the effectiveness of training and development in banking sector- A case of Oriental Bank of Commerce, Hyderabad”

Dear Respondents, Kindly go through this questionnaire and you are requested to answer by placing a tick() mark in the appropriate response column on the right side of the questions .

Tick the option:

Strongly Agree Agree Neither Agree Nor Disagree Disagree Strongly Disagree

This information is meant for only research purpose and I assure that the response recorded by you will be kept strictly confidential.

Name: _____

Qualification: _____

Age(in years): _____

Gender: Female/ Male

Work Experience in Banking sector(in Years): _____

1) Work related training method is provided in Training Programme

A) Mostly Related To Work B) General C) Not Related To Work

2) Field visit during training programme

A) Yes B)No

3) Proper facilities or equipments are provided in the training program

A) Yes B)No

4) Trainer encourages questions and participation from trainees

A) Yes B)No

Sr. No.	Questions	Scale				
		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
1	Norms and values of the organization are clearly explained to new employees during induction training.					
2	Training and development program conducted was improved the quality and productivity of work					
3	Training objectives are clear while conducting training sessions					
4	Interaction between trainer and trainees is adequate					
5	Methods used for training is the most appropriate and effective					
6	Trainer encourages questions and participation from trainees					
7	T&D help employees in promotion and other monetary benefits.					
8	T&D reduce the stress level of employees.					
9	Customer service skills improved after training program					
10	Employees improved technical skills and interpersonal skills through training					