

# An Analysis of Training and Development Methods in Public Sector Banks of Madhya Pradesh

**Rajeev Agrawal<sup>1</sup>, Dr. Preeti Shrivastava<sup>2</sup>, Dr. Deepti Maheshwari<sup>3</sup>**

<sup>1</sup>Research Scholar, RNTU, Bhopal (M.P.) India.

<sup>2</sup>HOD, Faculty of Management, RNTU, Bhopal (M.P.) India.

<sup>3</sup>Dean, Faculty of Commerce, RNTU, Bhopal (M.P.) India.

## ABSTRACT

*Financial development in India has hinged effectively on the development of banking system. Banking sector is continuously going through a process of transformation since nineties, due to the introduction of Liberalization, Privatization and Globalization, Information and Communication Technology. The Indian Banking sector, ever increasing competition, fast moving and complex world of latest technology have compelled banks to decide of and to adopt themselves to the changing banking environment. There is required to develop the competencies i.e. Skill, knowledge and attitude among the bank staff to make them more suitable to the changing conditions, through this research paper. The research paper based on primary data and finding of the study will suggest that training and development is inevitable and unavoidable in any sector*

**Key words:** Bank, Training & Development, Skill, Performance etc.

## I INTRODUCTION

In recent scenario, where every time the surroundings unfolds a new challenge in front of the companies, where every day is backed by a new invention, where nothing is static, implementing change is the sole solution to certain the existence of a company. “Implementing Change” itself, is a wide array stream that involves, taking up prompt actions to derive solutions as well as supplementing existing variable assets, within the company, with changes in such a manner that, it acts as a shield, not against rather, in the flow of the uncontrollable dynamic environment.

Training and development has become the first phase of each and every organization’s tactics and strategic journey. It is that vital medicine, which has been stretched far understood as well as, is now being ingested by the precious assets of these, as the companies have realized that the world is characterized by high competition and updated as well as upgraded skills and, training plus development is the initial investment for the future cover benefits of increased readiness of their blood streams towards the challenges as, they are paramount for the survival of the company. Thus, all of this holds true irrespective of which company or in which industry you operate in. As much as Human resource development stands salient in retail and IT industry, in the very same way, it is the valued essence in the banking industry wherein economic ups and downs confirms that training and development cannot be ruled out, ever.

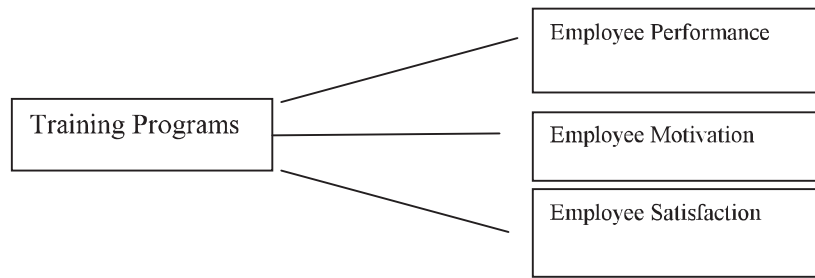
Further, in line with this, many scholars’ curiosity of indentifying the relationship between T&D and employees’ performance, satisfaction as well as motivation, can be read as an empirical study which tries to unveil the link between the two.

As majority of the researches presents a comprehensive picture of the industries in much developed countries, the extent of relationship shared between the two, in developing countries like India, is still underived and hence, opens the door for this research because, the T&D methods of developing nations are way too different from the one’s, which are being practised in the developed nations and therefore, there is an extensive need to discover, not only the link but also the intensity between them and accordingly, suggest ways of reformation for the same.

The study aims to draw sample from the employees of the two major, public sector banks in Madhya Pradesh, through an intense literature review of the past searches and through a self administered questionnaire, in order to understand the scope as well as extent of relationship between the training programs and their performance, motivation as well as the satisfaction. The attempt is to pin point the gaps in the training programs, if any, and to suggest remedies for evolving them in better ways.

## II CONCEPTUAL FRAMEWORK

It presents a comprehensive picture of identifying how training programmes affects the performance, motivation and the satisfaction amongst the employees at different levels of the banking sector, in Madhya Pradesh.



### III LITERATURE REVIEW

#### (a) Training – As a Concept

- (i) In the year 2005, Weil and Woodall concluded in their study that, Training is one of the eminent functions of the HRM department. It is a systematic process of conditioning the behaviour of an employee, through educational events, practices, which in turn adds on to the receptor's skills, knowledge and ultimately, boosts his productivity as well as efficiency.
- (ii) Buckley and Caple, in the year 2009, revealed that training can be associated with two types of needs: reactive needs and proactive needs. As the name suggests, Reactive ones arise out of an immediate and urgent on the job skill or knowledge requirement whereas, proactive ones are a systematic approach, by the company, toward upcoming technical advancement.
- (iii) HRM by Subbarao, in the year 2000, is an attempt to investigate deep down and identify the current trends of HRM department and accordingly, suggesting the forthcoming trends that are likely to join in the near future.
- (iv) V Kamath, SS Kohli, PS Shenoy, Ranjana Kumar, R M Nayak (July/September 2003). "Indian Banking Sector: Challenges and Opportunities", tried to identify the challenges as well as opportunities faced by the Indian Banking Sector. The paper encloses the suggestions from all ends including, the product design and engineering, product delivery and customer satisfaction, upcoming financial reforms and its impact, competitors' size and share, and last but not the least, HRD policies.
- (v) Sujatha, Krishnamacharyulu C.S.G. (January-March, 2008), Challenges of Human Resource Management in Public Sector Banks, has taken an initiative to comprehend the challenges being faced by the public banking industry since the time our banking industry has opened up its doors for private and international banking

services. Since then, the PSB's have been trying to maintain their market holding through intensive measures for improving on the efficiency and productivity of its employees.

#### **Employee Training and Performance– the Relation**

- (vi) As per the empirical analysis conducted on the banking sector of Pakistan in the year 2011, there exists a high correlation between T&D and employee's performance. The research clearly signifies the importance of HR department in an organisation. It is the backbone that organizes T&D sessions so as to improve upon the productivity of its assets.
  - (vii) Nassazi, in the year 2013, examined the effects of training on the performance of the employees working in the telecommunication industry of Uganda. The study focuses on the samples drawn through an administered questionnaire, from the three biggest telecom companies in Uganda. The data reveals that training programmes, conducted by the companies, have a positive impact on the overall output of the employees.
  - (viii) Kennedy, Virile (2007) in his paper titled "Do Human Resource Development Practices Differ among the Categories of Indian Commercial Banks?" confirmed that the T&D practices implemented in Private sector banks are far advanced and fruitful as compared to the conventional training programs of Public sector banks. Also, their findings emphasized on giving importance to Performance counseling sessions in Indian banks as it is one way to understand an employee's emotional attributes towards his/her job.
- #### **Employee Training and Satisfaction– the Relation**
- (ix) Bajpai Naval, Srivastava Deepak in their paper "Sectorial Comparison of Factors Influencing Job Satisfaction in Indian Banks", studied about job satisfaction within the employees of private and public sector banks and found out that the level of contentment of public sector employees is high er

than that of private sector because, employees in privates are bound with the sense of insecurity whereas policies like retirement, pension etc. are well executed in public sector banks.

- (x) Bedi, Monica; Job Satisfaction in Bank, recognized HRD as that pillar of the company which is responsible for the bank's performance as well as growth through effective as well as productive workforce recruitment and strategic T&D sessions.
- (xi) Sehgal (2012) published a paper entitled "Job Satisfaction of Bank Employees in Shimla- A Comparative Study of Private and Public Sector Bank wherein the scholar clearly signified the importance of job satisfaction for the growth and performance of an industry.

#### IV OBJECTIVES & HYPOTHESIS

##### (a) Objective

- (i) To evaluate the perception level of employee towards Current training programs on the basis of age and experience.

##### (b) Hypothesis

- (i) H<sub>0</sub> – There is no significant difference in employees' perception level towards current training methods on the basis of age and experience.
- (ii) H<sub>1</sub> - There is a significant difference in employees' perception level towards current training methods on the basis of age and experience.

#### V RESEARCH DESIGN

- (a) **Sample for the Study:** The research study has undertaken the employees of the Public Sector Banks (Central Bank Of India and Bank Of Maharashtra), situated in Madhya Pradesh as the study region.
- (b) **Data Source:** The study is based on primary as well as secondary data. The primary data has been assembled from the responses of employees belonging to the two above mentioned banks of Madhya Pradesh, while

various journals, magazines, e-books, websites and books have sourced the secondary data.

- (c) **Research Instrument:** In the research structured questionnaire is used as a research instrument to obtain data. Questions are used in it which the questions permitted only certain responses ranging from agreement to disagreement. All the questions asked were related to the research objective stated in the study.

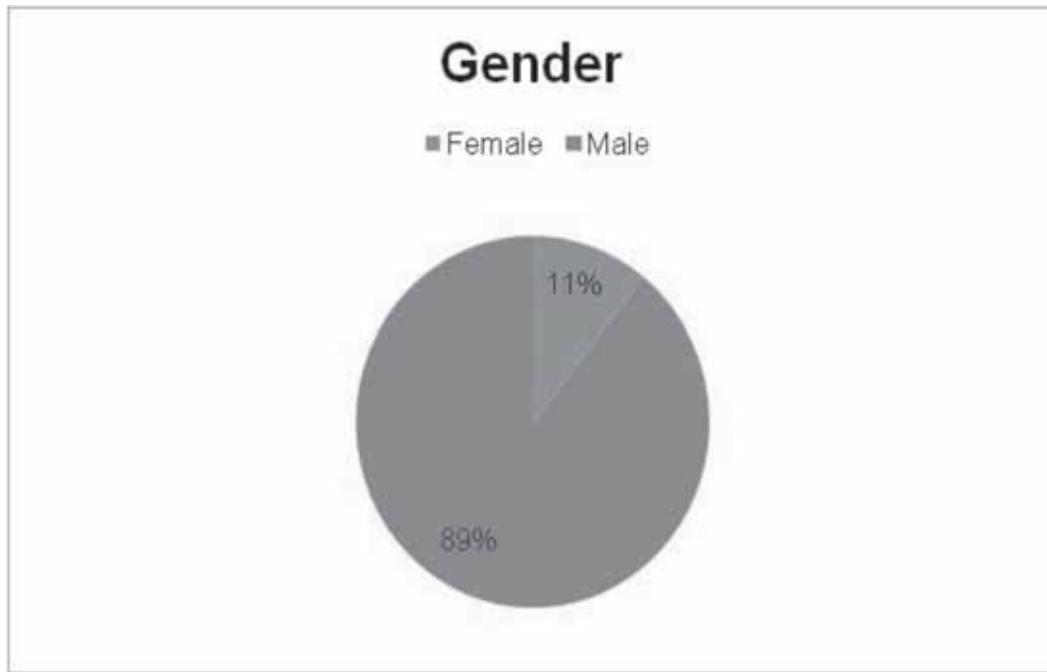
- (d) **Descriptive Analysis:** This section comprises of the representation of the demographic data pertaining to the 400 employees, who have filled the questionnaire for the study. This segment incorporates individual data, for example, sexual orientation, age, designation, experience and sort of worker. These factors may help in discovering relationship with different factors for future investigations. In any case, for the reason for the investigation just the relationship between the picked associations also, other theorized and un-estimated factors were set up.

- (e) **Inferential Analysis:** In this segment, the researcher has applied measurable strategies to demonstrate expressed speculation also, to dissect if the reactions shift based on association. For this Chi-Square (Goodness of Fit) Test and Pearson's Chi-Square Test were applied and the estimations of p were determined under trial technique. After that the qualities were contrasted with legitimize if the thing that matters was critical. Non-parametric trial of Kruskal-Wallis of K-Independent example test was utilized to test the independency of every speculation figured on the grounds that of the Ordinal and non-severe suspicions nature of information.

#### VI DATA ANALYSIS & INTERPRETATION

Background of the Respondents

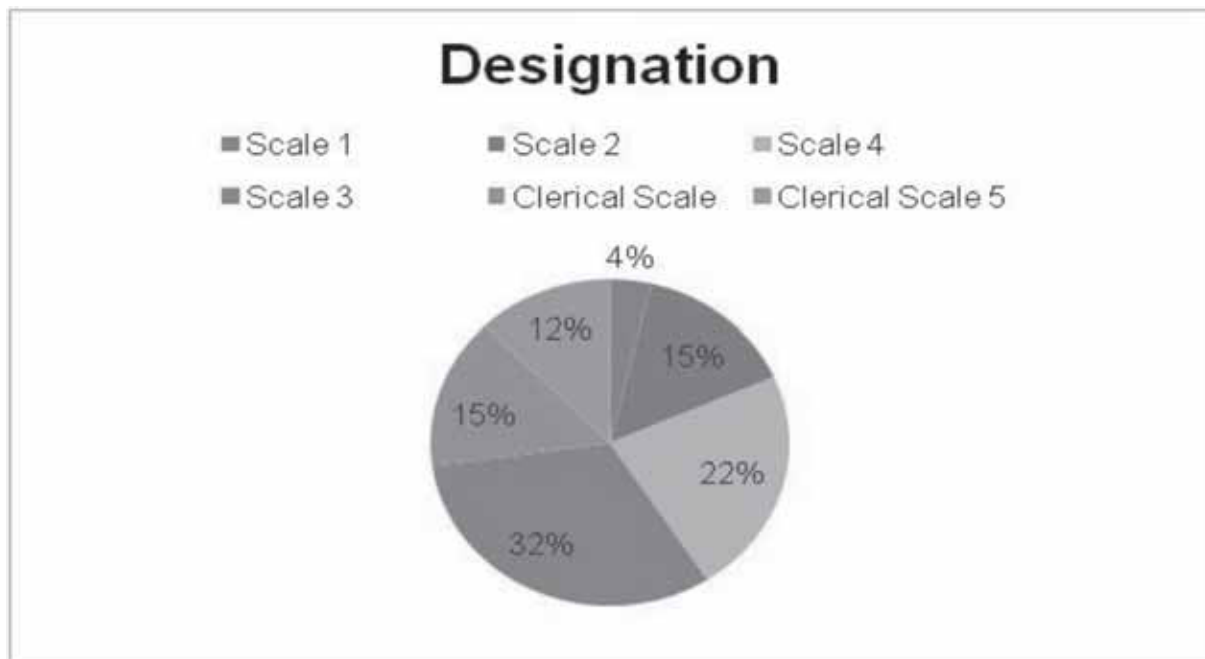
- (a) **Gender**



**Respondent's gender**

Graph shows that 89% of the respondents were male and 11% female.

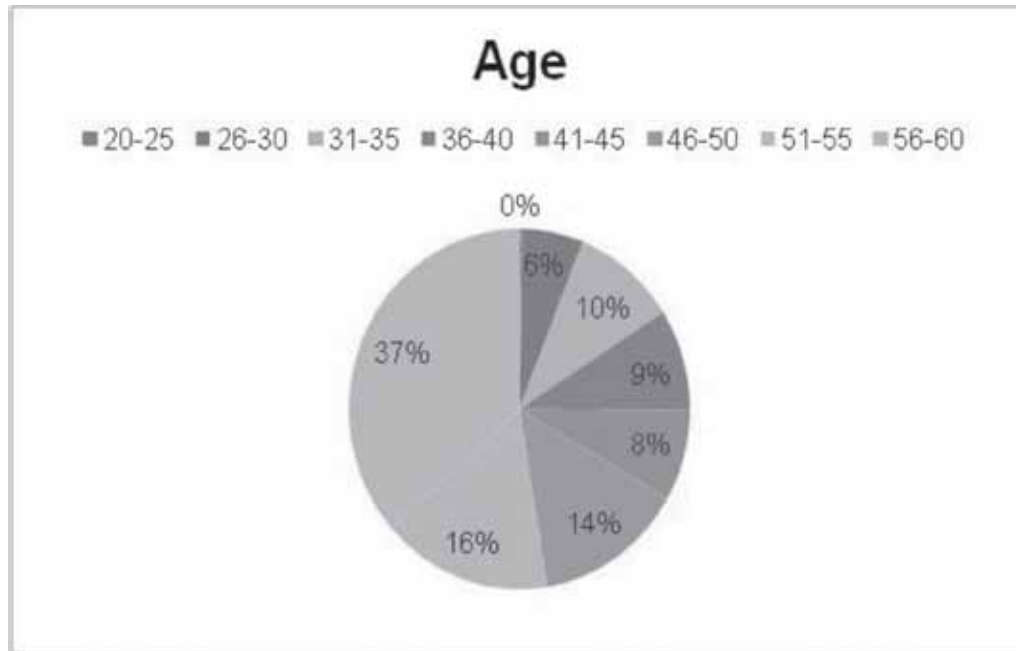
**(i) Designation**



**Respondent's Designation**

Graph shows that 4% of the respondents are classified as Scale 1 employees, 15% as Scale 2 employees, 32% as Scale 3 employees, 22% as Scale 4 employees and 27% as clerical employees.

**(ii) Age**



**Respondent's Age**

Graph shows that 0.29% of the respondents were of 20-25 age, 5.79% of the respondents were of 26-30 age, 9.86% of the respondents were of 30-35 age, 9.22% of the respondents were of 36-40 age, 8.09% of the respondents were of 41-45 age, 14.12% of the respondents were of 46-50 age, 16.14% of the respondents were of 51-55 age and 36.49% of the respondents were of 56-60 age.

Although 36% of the share lies above the age group of 56 but still 47% of the employees are within the bracket of 45 years thereby, the latter is expected to show more interest in developing new skills and knowledge, when trained, thereby contributing to the overall improvement of the organizational performance.

**(iii) Experience**



**Respondent's Experience**

Graph shows that at the time of study 2% of the employees had been associated with the respective banks for less than a year, 28% for 5-10 years, 6% for 10-15 years and 64% for more than 15 years. This data clearly shows that majority of the employees at the respective banks are reasonably experienced in their roles and so is their performance at the jobs.

(iv) Background of the Respondents

**Table 1**  
**Association of employees’ perception level towards current training methods on the basis of age**

		N	Mean Rank	N	Mean Rank	N	Mean Rank	N	Mean Rank	N	Mean Rank
		Training Material		Mode of Training		Qualities of Trainer		Training Room		Food and Other Facilities	
Age	1="20-25"	6	193.00	6	186.50	6	220.50	6	213.00	6	165.50
	2="26-30"	59	196.90	59	210.40	59	184.87	59	214.63	59	192.82
	3="31-45"	67	242.73	67	238.34	67	242.02	67	225.30	67	248.16
	4="36-40"	47	154.70	47	164.16	47	196.15	47	165.34	47	192.38
	5="41-45"	33	231.06	33	200.05	33	156.80	33	245.00	33	176.06
	6="46-50"	48	152.38	48	214.56	48	176.22	48	189.67	48	188.06
	7="51-55"	47	190.32	47	184.65	47	190.12	47	141.51	47	188.54
	8="56-60"	93	215.13	93	187.15	93	214.69	93	210.25	93	198.53
	Total	400		400		400		400		400	

**Kruskal Wallis Test for the association between employees’ perception level towards current training methods on the basis of age**

**Test Statistics<sup>a,b</sup>**

	Traning Material	Mode of Training	Qualities of Trainer	Training Room	Food and Amenities While Training
Chi-Square	35.102	19.054	22.705	32.402	23.117
df	7	7	7	7	7
Asymp. Sig.	.000	.008	.002	.000	.002

a. Kruskal Wallis Test

b. Grouping Variable: age

(v) Interpretation:

The above tables clearly represent that-

- Training material has a significant impact on the distinct age group buckets since all the significance values are lower than 0.05, hence rejecting the null hypothesis. Thus, it is concluded that when it comes down to worker preparing there is no "one-size-fits-all." You need to receive your preparation to fit the different learning styles, characters and even age. Older representatives see work uniquely in contrast to recent college grads and you ought to embrace your preparation program to oblige this distinction. With a more seasoned specialist you can slice through the pursuit and get right to meat of the work points of interest during preparing. The more established recruit is more intrigued with why you're a decent organization and the reasons they should work for you, yet not as much with colossal freedoms for self-improvement or fast advancement. Further, the training program for older age group must a package

of short lessons and every next lesson must be based on the previous as they the former tends to lose on the thread very easily.

- However, the more youthful age is well informed and they've spent their whole lives in modern times and are truly open to learning through innovation.

Hence, both the banks should focus on restructuring their training schedule more as per the needs of both the employed age groups.

- Mode of Training had no significant impact upon age groups since all the significance values are higher than 0.05, thereby accepting the null hypothesis. Thereby we can conclude that the passage of time and digitalization has enabled both the age groups to share same platform in terms of digital mode of training along with the conventional ways of classroom training.

- Qualities of trainer has a significant impact upon the age groups since all the significance values are lower than 0.05, thereby rejecting the null hypothesis. A few mentors are common all-rounders, others flourish when instructing certain abilities or working with explicit age gatherings. Like in case of most grown-ups, the formers are self-coordinated : They need to realize what they need, when they need, and how they need. Grown-up have their own way of learning. Regardless of whether you structure your preparation program to meet these components, notwithstanding, you may in any case run into hesitant ones. Mentors may here and there have to conquer

this opposition prior to learning can occur. Hence, both the banks must focus on identifying the trainer that suits best for training the different age groups.

- Training room and food along with other amenities have a significant impact upon the age groups since all the significance values are lower than 0.05, thereby rejecting the null hypothesis hence, deducing that training environment do pay an important role in defining the commitment towards the T& D program. Eventually, kitching, room space, ventilation, seating arrangement, refreshment lighting and hardware overwhelmingly affects the effectiveness of a training program.

**Table 2**  
**Association of employees’ perception level towards current training methods on the basis of designation**

Ranks	N	Mean Rank	N	Mean Rank	N	Mean Rank	N	Mean Rank	N	Mean Rank
	Training Material		Mode of Training		Qualities of Trainer		Training Room		Facilities	
Designation 1="Scale 1"	47	242.66	47	191.26	47	218.02	47	190.19	47	192.38
2="Sacle 2"	93	186.89	93	226.25	93	225.46	93	223.41	93	250.28
3="Scale 4"	95	150.37	95	123.34	95	139.61	95	145.63	95	144.63
4="Scale 3"	101	235.93	101	230.13	101	215.15	101	229.79	101	251.28
5="Clerical Scale"	38	217.95	38	213.50	38	217.34	38	210.47	38	141.42
6="Clerical Scale 5"	26	193.00	26	272.92	26	220.50	26	209.31	26	130.31
Total	400		400		400		400		400	

**Kruskal Wallis Test for the association between employees’ perception level towards current training methods on the basis of designation.**

**Test Statistics<sup>a,b</sup>**

	Traning Material	Mode of Training	Qualities of Trainer	Training Room	Food and Amenities While Training
Chi-Square	43.596	81.043	42.738	39.411	121.299
df	5	5	5	5	5
Asymp. Sig.	.000	.000	.000	.000	.000

**(vi) Interpretation**

The above table clearly states that all the five elements within the training facilities do have a significant impact upon the designation an employee holds within the organization as all the significance values are lower than 0.05, thereby rejecting the null

hypothesis. Designations are critical for working environment correspondences and representative prizes and therefore, going by the above results, training and development programs must be devised in a way that every one of them employee needs, skill advancement as well diversification basis the

designation as each and every rank calls for an entirely different skill set, mindset and behaviour. Henceforth, along with the training material, mode of training and trainer's specifications should be dependable on the level to which the development is being cascaded as every level involves different set of complexities and challenges.

## VII CONCLUSION

The outcome also highlights that improved level of performance, results in increased commitment towards their job which in turn, expedites the productivity of the organization, as a whole. Hence, T&D programs should be an optimum mix of theoretical as well as practical knowledge, so that the practical outcomes are measured well against the set standards, in order to identify the effectiveness of training sessions.

Analysis of the each of the above pillars is focused on an extensive evaluation of each of the training and development parameters and its impact on the employees' perception.

Present study clearly emphasis that out of the four basis parameters of the training and development schedule, when analyzed with age as the base variable, Training material, qualities of trainer and training room plus the other amenities, exhibit a significant impact in determining the perception level at different buckets of the ages of the employees, clearly claiming that when it comes down to worker preparing there is no "one-size-fits-all." You need to receive your preparation to fit the different learning styles, characters and even age.

Moving forward, the present study clearly emphasis that out of the four basis parameters of the training and development schedule, when analyzed with designation as the base variable, all the four elements do have a significant impact upon the designation an employee holds within the organization. Hence, training and development programs must be devised in a way that every one of them employee needs, skill advancement as well diversification basis the designation as each and every rank calls for an entirely different skill set, mindset and behavior.

Further, all the policies must have set grounds, well communicated to the employees of the banks, so that whenever appraisal/performance/location changeover or any other factor, for that matter, takes place, employees have a crystal clear understanding as to on what attributes their future career sketch has been evaluated.

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