



ISSN: 2249-894X  
IMPACT FACTOR : 5.7631 (UIF)  
UGC APPROVED JOURNAL NO. 48514  
VOLUME - 8 | ISSUE - 8 | MAY - 2019



## AN ANALYSIS OF TRAINING AND DEVELOPMENT IN BANKING SECTOR : A CASE STUDY OF SELECTED COMMERCIAL BANKS IN BAGALKOT DISTRICT.

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### ABSTRACT:

*Training is an important HRD activity which reinforces human resource management in an banking organization. Apart from the need for internal staffing, training enhances job related skills and also facilitates acquiring new skills required for averting skills obsolescence in an Banking organization. In India Banking industry become more competitive than ever private and public sector banks are competing with each other to perform well. The human resource development has to play a more proactive role in shaping employees to fight out the challenges.*

*The process of financial development in India has hinged effectively on the development of banking system. The Indian banking industry is continuously going through a process of transformation since nineties, due to the introduction of Liberalization, Privatization and Globalization Information and Communication Technology. The first objective of present paper is to study satisfaction level employees towards training and development programmes offered by banks for their employees. The second objective is to examine the effectiveness of training and development programmes practiced by banks for their employees in fulfillment of their duties. Present research paper is of descriptive type and based on primary data collected through questionnaire filled by the bank employees. The present paper explained some suggestions to enhance training and development strategies, and to cope up with the existing challenges in the wake of severe competition in the training and development. The findings of the study suggest that training and development is inevitable and unavoidable in any sector.*

**KEYWORDS:** human resource management , Liberalization, Privatization and Globalization Information.

### TRAINING AND DEVELOPMENT Training

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.

### DEVELOPMENT

Employee Development Programs are designed to meet specific objectives, which contribute to both employee and organizational effectiveness. There are several steps in the process of management development. These includes reviewing organizational objectives, evaluating the organization's current

management resources, determining individual needs, designing and implementing development programs and evaluating the effectiveness of these programs and measuring the impact of training on participants quality of work life.

### **Definitions of Training and Development**

According to the Michel Armstrong, "Training is systematic development of the knowledge, skills and attitudes required by an individual to perform adequately a given task or job".

According to the Edwin B Flippo, "Training is the act of increasing knowledge and skills of an employee for doing a particular job."

Dale S Beach defined "Training is usually considered as the organized procedure by which people gain knowledge and increase skill for a definite purpose".

### **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. How are the needs identified? 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.

## **REVIEW OF LITERATURE**

### **Dr Sridhar Raj and Dr Sita Vanka**

Training and Development is one of the ethical inputs provided by the organizations in the Indian context to its employees to meet the organizational goals and also, in the process focus on training and Development in an organization is even before joining the organization through Induction programmes where the new entrants are made aware of organizational culture and occupational skills. Therefore, The newly joined employees are moulded to meet the needs of the organization which does not end as it is a continuous process of learning un-learning and re-learning. This is true of both the public and private sector in India.

### **Dr Tomaz Krawczyk marketing Director premiere Training (Poland)**

This is especially important today rapidly changing environment. One example concern an order received from one of the bigger polish banks to organize a marketing training programme for the banks management. After training needs analysis process was completed it was discovered that marketing courses were not necessary, In fact the bank have too many clients and many orders and the real problem was the need for more efficient management. Thus training indicated in final report was focused on ways to improve problem solving.

**Robert Hart RHI Associates**"The author expressed his views about the misuse of technology in training, most technological advance have been followed by a misuse of technology by training professionals consider the use of the video camera .As soon as technology became reasonably affordable, training departments began taping and disseminating virtually any kind of training

presentation. This was supposedly a way dramatically to reduce training costs. An instructor need make only one presentation and copies of the session could then be sent all over world thus reaching wider audience. Even the royalty agreements, the cost of this type of training was much lower than individual presentation.

### **Antonio Torres Genera Manager Instituto de Formagao Bancaria, Lisbon"**

The author highlights about Innovation and effectiveness in Banking training "The adoption of plan for the regular courses introduced profound changes in the underlying philosophy of bank training the professional training given by institute is no longer a more or less sporadic accessory to complement the employees career by taking part in regular courses and taking the respective examinations at the various levels, the bank employees can have access to professional training adjusted to his or career and progress within the bank.

**Paul Wikins career search Ltd and Brunel Institute of Organization and social studies Bruel University."**The author enlightens his ideas about Using performance Appraisal in the Evaluation of Training, particularly by using changes in performance to measure its effectiveness, Doing this is not just of academic interest management intent on improving profitability first tend to look at ways of cutting costs. and reducing training budget is seen as one way of doing just that, In part training departments have only themselves evaluation of what they are doing. However ignoring evaluation. The outcomes of a training programme must be specified and methods devised by which the performance can be identified. Methods must be found adopted or devised by which those changes which are due to the training can be correctly attributed to it.

### **OBJECTIVES**

1. To study the satisfaction level of employees towards training programmes offered by commercial banks.
2. To analyze the development practices followed by commercial banks.

### **METHODOLOGY OF THE STUDY**

This research paper is descriptive type and based on primary data, collected through questionnaire filled by the bank employees. The secondary data includes reference books, journal, research papers and internet. Random sampling of 50 respondents from employees from different banks like SBI, Canara bank, Corporation bank Syndicate bank, HDFC bank ICICI bank, Axis bank located in Bagalkot District.

### **Analysis and Findings**

#### **Correlation analysis**

In the present study, the satisfaction scores towards training programmes with satisfaction towards development of practices, attitude towards organization of trainings; attitude towards evaluation of trainings, attitude towards achievements and opinion on management of training programmes scores of employees of commercial banks are considered as independent variables.

In order to find out the relationship between independent variables, the correlation coefficients were obtained. The correlation coefficient is calculated by using the Karl-Pearson's correlation coefficient method and it is mathematically expressed in the following way:

$$r = \frac{\sum xy - n\bar{x}\bar{y}}{\sqrt{(\sum x^2 - n\bar{x}^2)(\sum y^2 - n\bar{y}^2)}}$$

If r value is zero, it indicates that there is no correlation between the two variables. If r-value is positive, it indicates that, one variable values increases with increase in another variable value and if r-value is negative, it indicates that, one variable values increases with decrease in another variable value.

**Hypothesis:** There is no significant relationship between satisfaction scores towards training programmes with satisfaction towards development of practices, attitude towards organization of trainings; attitude towards evaluation of trainings, attitude towards achievements and opinion on management of training programmes scores of employees of commercial banks

To achieve this hypothesis, the Karl Pearson's correlation coefficient method was applied and the results are presented in the following table.

Table: Correlation coefficient between satisfaction scores towards training programmes with other variable scores of employees of commercial banks

Variables	Correlation coefficient between satisfaction towards training towards		
	r-value	t-value	p-value
Satisfaction scores towards development of practices	0.4956	10.1445	0.0001*
Attitude towards organization of trainings	0.6352	14.6183	0.0001*
Attitude towards evaluation of training	0.3255	6.1191	0.0001*
Attitude towards achievements	0.2194	3.9985	0.0001*
Opinion on management of training programmes	0.4099	7.9884	0.0001*

\*p<0.05

From the results of the above table, it can be seen that

- A significant and positive relationship was observed between satisfaction scores towards training programmes and satisfaction scores towards development of practices ( $r=0.4956$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction scores towards training programmes and satisfaction scores towards development of practices of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between satisfaction towards training programmes and attitude towards organization of trainings scores ( $r=0.6352$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards training programmes and attitude towards organization of trainings scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between satisfaction towards training programmes and attitude towards evaluation of training scores ( $r=0.3255$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards training programmes and attitude towards evaluation of training scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between satisfaction towards training programmes and attitude towards achievements scores ( $r=0.2194$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards training programmes

and attitude towards achievements scores of employees of commercial banks are dependent on each other.

- A significant and positive relationship was observed between satisfaction towards training programmes and opinion on management of training programmes scores ( $r=0.4099$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards training programmes and opinion on management of training programmes scores of employees of commercial banks are dependent on each other.

**Hypothesis:** There is no significant relationship between satisfaction scores towards development of practices with attitude towards organization of trainings; attitude towards evaluation of trainings, attitude towards achievements and opinion on management of training programmes scores of employees of commercial banks

To achieve this hypothesis, the Karl Pearson's correlation coefficient method was applied and the results are presented in the following table.

Table: Correlation coefficient between satisfaction scores towards development of practices with other variable scores of employees of commercial banks

Variables	Correlation coefficient between satisfaction scores towards development of practices with		
	r-value	t-value	p-value
Attitude towards organization of trainings	0.7838	22.4359	0.0001*
Attitude towards evaluation of training	0.4063	7.9039	0.0001*
Attitude towards achievements	0.4289	8.4402	0.0001*
Opinion on management of training programmes	0.4702	9.4719	0.0001*

\* $p<0.05$

From the results of the above table, it can be seen that

- A significant and positive relationship was observed between satisfaction towards development of practices and attitude towards organization of trainings scores ( $r=0.7838$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards development of practices and attitude towards organization of trainings scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between satisfaction towards development of practices and attitude towards evaluation of training scores ( $r=0.4063$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards development of practices and attitude towards evaluation of training scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between satisfaction towards development of practices and attitude towards achievements scores ( $r=0.4289$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards development of practices and attitude towards achievements scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between satisfaction towards development of practices and opinion on management of training programmes scores ( $r=0.4702$ ,  $p<0.05$ ) of

employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the satisfaction towards development of practices and opinion on management of training programmes scores of employees of commercial banks are dependent on each other.

**Hypothesis:** There is no significant relationship between attitude towards organization of trainings scores with attitude towards evaluation of trainings, attitude towards achievements and opinion on management of training programmes scores of employees of commercial banks

To achieve this hypothesis, the Karl Pearson's correlation coefficient method was applied and the results are presented in the following table.

**Table: Correlation coefficient between satisfaction scores towards development of practices with other variable scores of employees of commercial banks**

Variables	Correlation coefficient between attitude towards organization of trainings scores with		
	r-value	t-value	p-value
Attitude towards evaluation of training	0.6013	13.3780	0.0001*
Attitude towards achievements	0.4979	10.2051	0.0001*
Opinion on management of training programmes	0.6519	15.2803	0.0001*

\*p<0.05

From the results of the above table, it can be seen that

- A significant and positive relationship was observed between attitude towards organization of trainings scores and attitude towards evaluation of training scores ( $r=0.6013$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the attitude towards organization of trainings scores and attitude towards evaluation of training scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between attitude towards organization of trainings scores and attitude towards achievements scores ( $r=0.4979$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the attitude towards organization of trainings scores and attitude towards achievements scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between attitude towards organization of trainings scores and opinion on management of training programmes scores ( $r=0.6519$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the attitude towards organization of trainings scores and opinion on management of training programmes scores of employees of commercial banks are dependent on each other.

**Hypothesis:** There is no significant relationship between attitude towards evaluation of training with attitude towards achievements and opinion on management of training programmes scores of employees of commercial banks

To achieve this hypothesis, the Karl Pearson's correlation coefficient method was applied and the results are presented in the following table.

**Table: Correlation coefficient between satisfaction scores towards development of practices with other variable scores of employees of commercial banks**

Variables	Correlation coefficient between attitude towards evaluation of training scores with		
	r-value	t-value	p-value
Attitude towards achievements	0.4992	10.2407	0.0001*
Opinion on management of training programmes	0.5340	11.2262	0.0001*

\*p<0.05

From the results of the above table, it can be seen that

- A significant and positive relationship was observed between attitude towards evaluation of training scores and attitude towards achievements scores ( $r=0.4992$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the attitude towards evaluation of training scores and attitude towards achievements scores of employees of commercial banks are dependent on each other.
- A significant and positive relationship was observed between attitude towards evaluation of training scores and opinion on management of training programmes scores ( $r=0.5340$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the attitude towards evaluation of training scores and opinion on management of training programmes scores of employees of commercial banks are dependent on each other.

**Hypothesis:** There is no significant relationship between attitude towards achievements with opinion on management of training programmes scores of employees of commercial banks

To achieve this hypothesis, the Karl Pearson's correlation coefficient method was applied and the results are presented in the following table.

**Table: Correlation coefficient between attitude towards achievements with opinion on management of training programmes scores of employees of commercial banks**

Variables	Correlation coefficient between attitude towards achievements scores with		
	r-value	t-value	p-value
Opinion on management of training programmes	0.5568	11.9168	0.0001*

\*p<0.05

From the results of the above table, it can be seen that

- A significant and positive relationship was observed between attitude towards achievements scores and opinion on management of training programmes scores ( $r=0.5568$ ,  $p<0.05$ ) of employees of commercial banks at 5% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. It means that, the attitude towards achievements scores and opinion on management of training programmes scores of employees of commercial banks are dependent on each other.

## CONCLUSIONS

- The satisfaction scores towards training programmes and satisfaction scores towards development of practices of employees of commercial banks are dependent on each other

- The satisfaction towards training programmes and attitude towards organization of trainings scores of employees of commercial banks are dependent on each other
- The satisfaction towards training programmes and attitude towards evaluation of training scores of employees of commercial banks are dependent on each other
- The satisfaction towards training programmes and attitude towards achievements scores of employees of commercial banks are dependent on each other
- The satisfaction towards training programmes and opinion on management of training programmes scores of employees of commercial banks are dependent on each other
- The satisfaction towards development of practices and attitude towards organization of trainings scores of employees of commercial banks are dependent on each other
- The satisfaction towards development of practices and attitude towards evaluation of training scores of employees of commercial banks are dependent on each other
- The satisfaction towards development of practices and attitude towards achievements scores of employees of commercial banks are dependent on each other

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