

Suitability Of Some Training Techniques In Banking Sector

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Abstract: *After observing the cases of Neerav Modi and Vijayamalya many thinkers and policy makers are thinking about the conditions prevailed in the banking industry. The major threat to banking industry is not Competition, changes or customer attitude; it is in the form of Non Performing Assets (NPA). Major reasons for these NPAs may be loopholes in the policies, it is also impartment to see it from failure of Human Resources. If human resources in the organization are committed and well trained they can protect their won institution in from all kinds of challenges. In this paper the researcher focused on significance and need of the training in banking sector, and why training has been neglected by much top management. This paper also focused on why training really serves in the organizations. This paper also focused on various suitable training methods that can enrich their employees and promote good environment and helps their up-gradation.*

key words: *Training, Manpower, Human Resources, productivity.*

Developed Human Resources provide greater productivity and show improved efficiency. In service sector where service delivery is intangible; requires some qualities to attain customer satisfaction. Out of five M's – Manpower, Machine, Method, Money and material; the manpower has more importance being a living and movable thing; as others are immovable. To cater excellence to the customers, or to become a bench marking organization, one should give priority for training and retraining (**Baroundi & Ginzberg, 1986**)¹ of their manpower. The economic environment in India after 1991 gave chance to higher level of competition with its Globalized policy; that had brought competition at global level. To sustain in this competitive environment, one should have employees' updated knowledge and skills. As knowledge workers are the most valuable asset of any institution in 21st Century. Growth and productivity has direct relationship with employees' skills, their commitment and job enrichment. This can be best facilitated to all kinds of employees through well organized trainings (**Burke & Baldwin, 1999**)².

Training can fetch lot of change in trainees not only in knowledge level but also in behavioral aspects. After training one can cope up with latest technology and focus on job roles, areas of expertise. Expenditure on training is like an investment in return fetch many advantages like learning, achieving and building a better workforce to take the organization on to top. Training is part of strategic planning helps both the organizational development and career development of employees. A well designed training program helps to reap the crops of competitiveness. A rigorous training chart must be designed by covering needs of both employees and organization.

¹ Baroudi, J. J. "The career needs of IS personnel: Does the dual career ladder work, " Proceedings of the 21st Annual HICSS (4), 1988, pp. 171-180.

² Workforce training transfer: A study of the effect of relapse prevention training and transfer climate, Human Resource Management, Vo,38, Issue 3.

The process of financial development has hinged effectively on the development of banking system in any country India has no exception. The advent of I.C.T. and L.P.G has been bringing a continuous change and transformation in this sector since nineties. Many private and public sector banks are mushrooming day by day by with variety of products and services. To induce more customers they are offering traditional services with advance services like, Insurance, Mutual Funds, financial services, ATM, e-banking, mobile banking, RTGS/NEFT, App services, demat account and personalized banking and so on. Indian economy advent many developments like, demonetization from November 2016, , implementation of new Goods and Services Tax (GST) from July, 2017, high and rising real interest rates by RBI and finally the twin balance sheet challenge obstructed Indian country economic growth. However, the BSE SENSEX registered a return of 11.3%, while NIFTY stood at 11.5% during this study period. The rate of GDP in 2017-18 stood at 6.6% which is less than previous year 7.1%. At this juncture survival of banks becomes biggest challenge.

M. Narasimham Report (1998)³ on new generation banking reforms focused on various foundations of banking business to be developed, procedures to be streamline, up gradation of technology and HRD and further structural changes. HDFC Bank obtained a rank of 202 in 2018 (up 56 spots from rank 258 in 2017), with largest market capitalization of \$77.6 billion. Three oil companies and three banks each, found their spots among the top Ten Indian Companies. The country's largest state-run bank, State Bank of India (SBI), with a market capitalization of \$33.3 billion made up the tenth spot among Indian companies. Twenty-two Indian banks found a spot on the list, a feat at a time when the entire Indian banking sector is struggling and battling high levels of stressed assets in a weak lending environment (**Forbes Global 2000 ranking for 2018**). so, at global scenario, there is need for the training and development to current employees in certain important areas like customer care services on operational aspects and behavioral aspects of banking business.

Training refers to an organized activity which groom the skill set of employees; that shows the result in shape of sustainable and continuous organizational performance (**Mathieson 2006**)⁴. How are the needs of training identified? Task analysis and performance analysis are the most common methods to identify the training needs. However surveys and interviews with top level experts, feedbacks, complaints from loyal customers help in this aspect. Along with need for training and retraining of bank employees, the activity of training becomes a strategic summit in banking industry. The situation is different traditionally, banks after recruiting school leavers, and their initial training was either long apprenticeship or on – the – job training or formal training on routine operations. For promotion and to move to management position one has to qualify professional tests. It is argued that banking industry requires flexible and strategic training programs than routine and static training methods.

According to **Dayal (2001)**⁵ the trainer must have idea about two important aspects viz., the outcomes expected from the training program, methods and training materials that are suitable and capable to achieve those stated outcomes. Any training is not yet all completed until and unless methods and results have been evaluated (**Dahiya & Jha 2011**)⁶. Apart from the above trainees' individual characteristics such as motivation, attitude, and basic ability affects the success of a training program (**Zaciewski, 2001**)⁷.

³ https://en.wikipedia.org/.../Narasimham_Committeeon_Banking_Sector_Reforms_

⁴ Mathieson, M. (2006). Improving Organisational Performance through Developing our People, Industrial and Commercial Training, 38 (2), 70-77.

⁵ Dayal, Ishwar (2001). "Measuring Training Effectiveness", *Indian Journal of Industrial Relations*, (2001), pp. 339-344.

⁶ Dahiya, S. and Jha, A. (2011). "Review of Training Evaluation", *International Journal of Computer Science and Communication*, 2(1), pp. 11-16.

⁷ Zaciewski, R.D. (2001). "Measuring Training's Effectiveness", *Quality Progress*, 34(6), pp. 36-42.

The results bestowed by the training must be positive and best suitable for the organizational challenges. It is also important that the training professionals could see that there is a match between training expenses and business results. Training is expensive activity, it must be successful for that many aspects to be considered like reason to conduct and implement training. While considering the sources of data for evaluation, think about the cost and time involved in collecting such data. Balance this against the accuracy of the source and the accuracy actually needed. Training motivation of employees represents an important element in the process of improving effective training outcomes (Tai, 2006)⁸. Consequently, the demand of evaluating training effectiveness gained lot of importance (Kirkpatrick 1976) and introduced four level evaluation models. Recognition of various and suitable methods of training and adoptable measurement techniques are crucial for training success.

Why training is neglected? There was a range of good reasons; first managers view the establishment of systematic training as added expenses instead of seeing it as good investment. The affect of training on production performance generally reflects after certain period, so, people used to say 'wastage of time'. The attitude of individuals also became hurdle; they used to say, "I don't want to go back to school again". The apathy of many people towards training is due to poor quality of trainers, wrong design, unsuitability, lack of proper direction, attitudinal and behavior problems.

“Give a person a fish and you feed him for a day.

Teach a person how to catch fish and you feed him for a life time”

– Confucius – 5th century BC.

Why training for employees? To get insight of the job along with work culture by newly recruited employees. It also helps to acquire techno driven knowledge for most adaptability. To satisfy consumer needs from all walks of life, banks must have trained employees with good mental and social outlook (Akilandeswari & Jayalakshmi, 2014)⁹.

Training is a planned group of activities carefully planned into a harmonious, interrelated and result oriented package. It aims at empowerment of trainees that were undergone training. Empowerment fosters a sense of commitment and infusing an urge in learning. No organization has choice of providing training to their employees, but has in methods of training. In this competitive environment sustainability is the biggest challenge of the organizations, so training become a robust opportunity. Modern organizations are facing 3Cs: Customers, Competition and Change at this juncture, human efficiency required in well developed manner. So, training plays an important role in modern complex organizations: some of them are presented along with its effectiveness. Main effects of the training are:

It increases productivity (Jacobs, Jones & Neil, 1992; p. 271-443), It increases quality (Shamsuddoha, 2009; p. 1-7), It decrease complaints (Yavas, Bilgin & Shemwell, 1997; p. 217 – 223), It increases the motivation of the workers (Mathauer & Imhoff, 2006; p. 24), It enhances the employee's skills (Hawke & Heffernan, 2006; p. 140-157), It improves self-confidence (Berry & Parasuraman, 1992; p. 5-15), It reduces costs (Blas & Niles, 2010; p. 3), It reduces staff turnover (Umiker, 1989, p. 61-67) and others. Specifically there are some basic roles of training in organizations. They are:

1. Increase in efficiency:

⁸ Tai, W. T., (2006). Effects of training framing, general self-efficacy and training motivation on trainees' training effectiveness. *Emerald Group Publishing Limited*, 35(1), pp. 51-65.

⁹ P. Akilandeswari, Jaya Lakshmi (2014) "Recent Advances in Organizational Behaviour and Decision Sciences (IJROB) An Online International Monthly Journal Volume: 1 No.1.

Training plays an active role in increasing the efficiency of employees in an organization. Training increases skills for doing a job in a better way by enhancing competencies. Training is required even to maintain a minimum level of output.

2. Increase in morale of employees

Training creates loyal employees, training increases the morale of employees. High morale is evidenced by employee enthusiasm, voluntary conformation with regulations, and willingness, to cooperate with other to achieve organizational objectives. Trained employees can see the jobs in a more meaningful way because they are able to apply newly acquired skills to their job.

3. Better human relations

Training focus on quality human relations in an organization, high level of complexity and specialization creating alienation, depression, interpersonal and inter – group problems. Many of these problems can be overcome by suitable HR training.

4. Reduced supervision

Trained employees require less supervision. They need more autonomy and freedom, it is possible if the employees are well trained. Span of control can be enhanced and Human Resource Management costs can be minimized. It reduces the more levels in organization, creates possibility for speed and better communication.

5. Increased organizational; viability and resilience:

Trained people are necessary to maintain organizational viability and flexibility. Viability related to an organization's ability to tide over bad days, and resilience related to its ability to sustain its effectiveness despite the loss of its key personnel and making do for the short term adjustment with its existing personnel. In fact, there is no greater organizational asset than trained and motivated personnel, because these people can convert the other assets into a productive whole.

6. Introduction of new strategies and working methods into the organization:

Training explores ways and means to increase its productivity, level of proficiency of the staff, or its ability to provide more efficient and cost – effective services to its client groups. For achieving this, the organization may at any given point in time, introduce new working methods, procedures and practices.

7. Advancement in technology:

In view of innovations and changes in technology, related to its methods of production, a business organization may consider it imperative to update the skills of its staff. Training make possible that some in the organization has found an innovative and cost-effective way of handling certain operations and the management wants this to be adopted by others as well.

It is evident from the above that the Human Resource practice Training has greater advantages; however its results are different from sector to sector. Many factors like budget, length of the training, training quality, quality of the trainers, training aids, usage of ICT play an important role to make the training fruitful.

There are more than 30 methods of training in and around corporate world and changing its nature and form according to the requirements of end beneficiaries. In this article the author made an attempt to make suitability of various methods to the employees of Andhra Bank to fulfill their needs of training. The data required is collected with small group interactions, personal interaction and interviews with some clerical and middle level employees of Andhra Bank at District Level of West Godavari. The results of the study are presented here:

a) On –the Job Method Training: The most widely used training method in the work place is on – the job method training. It is very much simple and less costly to operate. Under this method, employees place in an actual work situation and make them appear to be immediately productive. They are learning by doing. It covers apprenticeship programs and job instruction training. In England it was called as “Sit- by-me training. It is the most efficient and effective method of training for the employees the advantages derived by trainees are:

- 1) Requires no extra space and attention; as it is done by supervisors.
- 2) It is very pragmatic in nature and suitable in non-noise work places.
- 3) Lively in learning;

4) Chance to apply the learned skills in industry after training immediately.

In recent fast people are giving preferences to orientation training, which aimed at making individuals familiarize with corporate culture.

b) Off-the-Job Method Training: Off-the-Job method training means training to the employees in outside the organization. It covers various types of techniques such as classroom lecturers, films, demonstrations, case studies and other simulation exercises and other programmed instruction. In this category, some training methods and their uses were explained to the respondents and their views are presented below:

a. VESTIBULE:

It is a classroom based training focused on semi skilled and clerical level employees. It is suitable in case of large number of trainees for specified skills. It focuses on learning rather than production. In this method of training, artificial equipment and conditions are created to experience the real work environment by trainees. The duration of this kind of training most probably is around one month. Theoretical concepts like culture, values, and ethics taught in nice manner. The entire training went in controlled environment. In nut-shell, vestibule training conducted in an artificial working environment with real time equipment with increased participation of learners. It creates ideal learning conditions. The employees of Andhra Bank expressed that this kind of method may useful for them during initial stage of the career particularly during induction training.

b. CLASSROOM METHODS OR LECTURE METHODS:

It is most suitable methods of training to inculcate various philosophies, concepts, attitudes, and problem solving abilities. It is very less expensive method, as one instructor can handle a bundle of employees. There is a scope to share and interact with the experts. In this method is not organized in proper manner, the attendants may become passive. Sometimes not feedback and trainees' involvement is negligible. So, to make it affective one should mix this method with many other like Group discussion etc. They opinioned that there is no training program without this method, directly or indirectly people provide instructions. So, it is suitable to all kinds of training programs.

c. MANAGEMENT GAMES:

At this juncture, it is evident that Banking sector is facing problem of Non Performing Assets (NPAs). The results of these NPAs may lead to legal proceedings or loose of finance and end of the career. So, priority must be given to promote ethical and behavioural changes that may help to reduce NPAs. With this background, respondents were asked these questions to know their pulse.

Management game is a simulated exercise representing, as closely as possible, the burdens of the day-to-day work environment of the trainees. Participants are provided with information and asked to solve some problems. Various small tasks are given to find solutions to small problems, decision making capacity, and how one is mingle with others. This method attempts to bring closer various elements of practical decision-making. General management functions like Planning, Organizing, directing etc., are included in this method. The main difficulty is in assessing the probable results of the decisions made. Sometimes a computer is used for this purpose. The trainees may reject the learning from the training program, if they feel the assessment of the probable outcome of their decisions is unrealistic. There is also a risk that the trainees may not take the training situation seriously. Most of the Andhra Bank employees expressed their satisfaction and willingness towards this kind of training.

d. LABORATORY TRAINING:

Nobody is underestimated in corporate world. Everybody is expert in one or many aspects. However people and their behavior at work place play an important role. It is also worth note that behavior of a person is different in group and as an individual. With this a question on laboratory training was posed to this group to know their opinion.

Laboratory training is a well organized exercise and training events that provides the participants for sharing, participation and change. In this method very small group are selected and widely used in training process. These methods establish a linkage between values, behavior and actions of and individual. The

respondents opinioned that this method of training is more affective if it has a optimum group by including public and private bank employees from all levels. The output of this method based on composition of group.

e. CONFERENCE:

Change from routine place generally creates learning environment; conference is a small group activity, conducted to share the views of many experts in the same area of interest. Instead of practical, it provides an opportunity to trainees to present orally. This method overcomes the some disadvantages of lecture method. Participants are not passive, they learn from one another. The conference may be a direct, or a consultative or a problem solving conference. This method is also not free from certain disadvantages. It is suitable to small group, slow in imparting skills and informal way of relations may develop than formal discussions. It is also important as per the employees that, to curb the cost of training, and to reduce travelling time and travelling expenses one can shift to Video Conferencing. It is also important that doubts can be clarified at a glance, without giving any priority for individual focus.

f. CASE STUDY:

The respondents are also asked to focus on case study method of training to know their learning and research activeness. In this method investigation into some cases, or referring some cases to create awareness generally occur. This is an effective method of training, in which realistic problems are provided before trainees for their responses. In this case may be given to trainees to discuss the case in all levels by identifying its: Strengths, Weaknesses, Opportunities and Threats (SWOT Analysis). Participants are expected to draw out useful generalization and principles from the case analyzed. This method follows the 'learning by doing' in which matured level of trainees' are expected. This helps the trainee, to develop managerial understanding; it is also helps to apply underlying principles of trainee. No exact solution is not required, flexibility approach is encouraged in this case studies methods. Owing to its practicality employees of Andhra Bank showed interest for this method of training.

g. ROLE PLAYING:

J.I. Moreno developed this as a group therapy for mentally disturbed people; however it is widely used for the development human relations. It focuses on development of leadership skills and to develop insight in their own behavior. Out of a group one or two may be called upon to the dais, to perform something without any prior information. The situations are like: supervisor discussing a grievance with an employee, a salesman making sell any hard product. Stage fear can be invaded with this method. The respondents expressed their inability towards this method. Some employees expressed that they are not outspoken. Some suspected that if the person selected is not suitable, it will consume group time. Some employees said that if anybody speak facts that may hurt whole group and creates small gaps among the people present.

h. PROGRAMMED INSTRUCTION;

In this the provided information is making into pieces and makes meaningful units and presented in the proper way. This helps the trainees for self learning, instructors are not key part of the learning, material provided also in a miniature form. The trainee is given immediate knowledge for his responses; active involvement of trainee is most ingredient part of this method. It is somewhat different to routine method of learning by sitting. This will help them to act with empathy. They show their abilities with certain assumptions this method is also selected by most of the employees of Andhra bank.

i. OUTWARD BOUND TRAINING:

"Education is an admirable thing, but it is well to remember from time to time that nothing that is worth knowing can be taught"
- Oscar Wilde

Here, workers are almost out of the work environment, and trainees are sent them out of the work place, where trainees like much. In this method, person is provided an opportunity to learn from other experts. A facilitator watches each trainee and observes behaviors of each individually and in group. In

this method training methods are used to focus mainly on teaching technical skills. In this OBT programs trainees are provided original challenges. It is a combination of indoor and outdoor activities the participants verify and develop their responsibility, self-confidence, cooperation, respect, tolerance, and learn social skills.

Most OBL training program consists of a variety of games including: Problem solving games, Field exercises, Navigation exercises, Water based exercises, Cliff face exercises. Andhra bank employees expressed their interest, practicability and adoptability of this method.

j. SENSITIVE TRAINING:

In this method, sessions are generally arranged to establish a learning atmosphere in which self examination and criticism is rewarded. Trainees are put into situations in which the behavior of each individual in the group is subject to examination and comment by the other trainees; the behavior of the group as a whole is examined. (The trainer is a psychologist; sociologist or a person who has himself received special training). It is a vivid way for the trainee to learn the effect of his/her own behavior on other people and the effect of their behavior upon him. It increases knowledge of how and why people at work behave as they do. It increases skill at working with other people and of getting work done through other people. It is also a valuable way of learning the skills of communication. This method also opted by the respondents.

k. EXPERIMENTAL LEARNING TECHNIQUES:

It is an action oriented behavioral situation, in which participants are supposed to collect their own data of each concept to be studied. To get result oriented experiment, the trainer must be a good observer. The observer mainly focus on learning and make everybody must learn each and every important task. It provides an opportunity to trainees to see the cause and effect of the actions of the people. The following quotation from Confucius underscores the importance of experiential learning: "I hear and I forget, I see and I remember, I do and I understand".

Findings and Suggestions:

It is evident from the above analysis, the group consists of various levels of employees are willing to attend for training programs perhaps many of them attended more than two programs so far. It is open to all that the success of the training program also depends on methods of training. The following findings are noted:

1. The lecture method is inevitable; the respondents also opinioned that there is no training program without this method, directly or indirectly people provide instructions. So, it is suitable to all kinds of training programs.
2. Most of the Andhra Bank employees expressed their satisfaction and willingness towards 'Management Game' method of training.
3. The respondents opinioned that this method of training is more affective if it has a optimum group by including public and private bank employees from all levels. The output of this method based on composition of group.
4. Irrespective of its disadvantage, that it is useful to limited group, most of the respondents felt that, conference method of training can curb the cost of training, and also reduce travelling time and travelling expenses. It is also important that doubts can be clarified at a glance, without giving any priority for individual focus. It is advisable to arrange Video Conferencing.
5. Case study method of training helps the trainee, to develop his / her managerial understanding; it is also helps to apply underlying principles of trainee. No exact solution is not required, flexibility approach is encouraged in this case studies methods. Owing to its practicality employees of Andhra Bank showed interest for this method of training.
6. The respondents expressed their reluctance towards role play method. Some employees expressed that they are not outspoken. Some suspected that if the person selected is not suitable, it will

consume group time. Some employees said that if anybody speak facts that may hurt whole group and creates small gaps among the people present.

7. Programmed instruction method also method is opted by most of the employees of Andhra bank.
8. Most of the Out Bound Learning training program consists of a variety of games including: Problem solving games, Field exercises, Navigation exercises, Water based exercises, Cliff face exercises. Andhra bank employees expressed their interest, practicability and adoptability of this method.
9. Sensitive method of training is opted by many of the respondents.
10. Perhaps this Experimental Learning method of training technique may useful more in production industry rather than service industry.

CONCLUSION: No doubt in this that the effectiveness of training based on many aspects the method of training is one among them. The most suitable method of training is that which can satisfies the needs of trainees with in stated time and budget.

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