

“A Study On Factors That Influence The Perception Of Employees Towards Training Programs In Public-Sector Banks In Indore”

Dr. Deepti Bajpai¹, Dr. Arpit R. Loya², Riya Baj³

¹Assistant Professor-HR and General Management, Prestige Institute of Management and Research, Indore., deepti_bajpai@pimrindore.ac.in.

²Assistant Professor-Marketing, Prestige Institute of Management and Research, Indore., arpit_loya@pimrindore.ac.in.

³Alumnus: 2016-2018 Batch, Prestige Institute of Management and Research, Indore.

Abstract

Human resource is the essence of development of the organization and the development largely lies with the quality of human resources. Quality of human resource depends on many factors and training is one of the most vital factors. Training is one of the most important investments because it enhances the knowledge, skills, attitudes and behavior of employees: the human resource. Employees become efficient after undergoing training. Efficient employees contribute immensely towards the growth of the organization. Growth provides stability to the manpower. Further, trained employees are retained longer by the organization.

The way employees perceive training can have a big effect on the efficiency and profitability of the company. The present study is undertaken to understand the factors that affect the perception of employees towards the training programs in public sector banks in Indore.

Keywords: Perception, training, banks

Introduction

In the banking sector there is a continuous demand for knowledge and competencies. However, banks work in a highly volatile and competitive business environment, banks that adapt to meet the competitive threats and opportunities to match the needs of a new market are likely to grow and succeed. In order to meet this changing demand, banks need to make considerable efforts on training and retraining their staff so that they can offer high quality service and customer satisfaction. Thus, Training and Development plays an important role in grooming professionals to take on the day to day operations and business of banks. Although significant body of work exists in the area of

training and development both at global and Indian level, as suggested by the review of literature, with respect to banking there is still a dearth of research. Since it is a relatively un-researched area, this study is being proposed to study the employee perception towards training initiatives taken in their organization.

Review of Literature

Hellriegel et al, (2001) state that training of employees in organization leads to higher productivity through improved job performance, better utilization of manpower, efficient accomplishment of goals and objectives, decrease in costs, lesser errors, less chances of accidents and absenteeism, enhanced capability of workforce and successful talent retention. Ahmad

and Bakar (2003) affirm in their findings that employees who acknowledge the perks of training happen to show greater levels of commitment and participation in training activities of organization. According to Aguinis and Kraiger (2009), training will not only benefit the individual but also the organization as a whole and eventually the economy. Sudhakar, Rao and Naik, (2011) in their research on employee’s perception of training, highlighted the importance of training for employees in a dynamic and competitive market, they further explained the importance of a trained to cater to the needs of the industry.

Objective of the Study

To explore the factors that contribute in employees’ perception towards training programs in public sector banks.

Methodology

The study is Exploratory in nature and survey method is used. The study is conducted in Indore region via questionnaire. Only the employees of public sector banks were contacted. Number of questions that were filled was 31. Sample size was 90 respondents.

For Data Collection:

Data is mainly collected from self-designed questionnaire. First part is focused on 5-point scale (where 5=strongly agree and 1=strongly disagree) to get the responses from the respondents in public-sector bank and the second part is about overall score (score from 1 to 10) given to training related factors.

For Data Analysis:

Normality, Reliability Analysis with Cronbach’s Alpha.

Factor Analysis with Varimax Rotation

Results, Interpretation and Discussion

Results-Normality Test:

Most statistical tests assume that the data are normally distributed hence there is a necessity to check the distribution. The Kolmogorov-Smirnov tests the hypothesis that the data normally distributed. A low significance value less than 0.05 indicates that the distribution of the data differs significantly from a normal distribution. After conducting this test, it was found that the assumption holds good for the data. The data is normally distributed (.211).

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of VAR00001 is normal with mean 90.08 and standard deviation 11.37.	One-Sample Kolmogorov-Smirnov Test	.211	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

TABLE I

Reliability Analysis:

The results of Reliability Analysis under Cronbach’s Alpha are 0.930 i.e. reliability is valid. If Cronbach’s Alpha is near to 1 then we have excellent reliability. Therefore, our reliability is excellent. If it is less than 0.6 then data is not reliable.

Case Processing Summary

		N	%
Cases	Valid	89	100.0
	Excluded ^a	0	.0
	Total	89	100.0

TABLE 2**Reliability Statistics**

Cronbach's Alpha	N of Items
.930	25

TABLE 3

Factor Analysis:

The results of Factor Analysis under KMO and Bartley test is 0.833 i.e. greater than 0.05 and significant value is 0.000 i.e. less than 0.05.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.833
Bartlett's Test of Sphericity	Approx. Chi-Square
	Df
	Sig.
	1427.577
	276
	.000

TABLE 4**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.156	38.151	38.151	9.156	38.151	38.151	4.496	18.735	18.735
2	2.676	11.149	49.300	2.676	11.149	49.300	4.348	18.118	36.853
3	2.170	9.042	58.342	2.170	9.042	58.342	3.327	13.863	50.716
4	1.595	6.644	64.986	1.595	6.644	64.986	3.222	13.427	64.143
5	1.165	4.854	69.840	1.165	4.854	69.840	1.367	5.697	69.840
6	.940	3.917	73.758						
7	.895	3.728	77.486						
8	.619	2.577	80.064						
9	.603	2.514	82.577						
10	.567	2.362	84.939						
11	.478	1.993	86.932						
12	.413	1.720	88.651						
13	.376	1.565	90.216						
14	.363	1.512	91.728						
15	.321	1.337	93.065						

16	.307	1.279	94.344					
17	.268	1.115	95.459					
18	.265	1.106	96.565					
19	.217	.904	97.469					
20	.171	.713	98.182					
21	.153	.637	98.820					
22	.124	.517	99.337					
23	.083	.347	99.684					
24	.076	.316	100.000					

Extraction Method: Principal Component Analysis.

TABLE 6

The results of rotated factor matrix show 5 factors which influence the perception of employees towards training programs in public sector bank. By doing factor analysis through SPSS Software using rotated component matrix (100 Iteration were done).

The five major factors that resulted from the factor analysis are named as under:-

- a) Skill-based training
- b) Trainer's experience
- c) Training schedule
- d) Training policy
- e) Improvement of skills post-training.

FACTOR 1: Skill-based Training. The weightage of this factor is 4.496 out of all the factors. In this factor total 8 items, i.e., 12,4,5,11,14,16,9 and 15. The statements of these items are- "Training practices have improved knowledge and skills of employees", "Trainees are selected on the basis of their past performance", "Trainees are selected on the basis of their education and experience", "Employees are working efficiently after attending training programs", "After undergoing training employee is able to perform higher level tasks", "After training employees feels that they can handle work properly", "Training practices have resulted in increased encouragement and contentment level of employees" and "After attending training programs employees need less time to finish work", respectively. This is concurred by (Ramarao,2010) when he says that the result of training is that trainees acquire new habits, polish their skills and knowledge levels for better performance.

FACTOR 2: Trainer's Experience. The weightage of this factor is 4.348 out of all the factors. In this factor total 5 items, i.e., 21,20,23,19 and 18. The statements of these items are- "Trainer gives enough time for group activities and discussion", "Trainer uses a variety of methods and techniques of training", "Employees get enough time for training", "Trainer has practical experience of the topic" and "Trainer has a good knowledge of topic", respectively.

FACTOR 3: Training Schedule. The weightage of this factor is 3.327 out of all the factors. In this factor total 5 items, i.e., 13,8,22,10 and 24. The statements of these items are- "Training practices help to change behaviour of employees", "Employee is not happy with his/her job before taking training/training programs", "Employees get advance information regarding training, training materials and schedule", "Employees were not working correctly before undergoing training" and "Training is conducted at systematic time intervals, that is, monthly, quarterly or yearly", respectively. In a study conducted by (Ramkrishna, 2012) revealed that employees in the bank had attended many training and development programs, they were satisfied with the training programs and believed in the inevitability of training in facing challenges.

FACTOR 4: Training Policy. The weightage of this factor is 3.222 out of all the factors. In this factor total 3 items, i.e., 1,3 and 2. The statements of these items are- "Training needs are assessed monthly at your bank", "The employee chooses his/her own training program" and "Bank has designed its own training policy", respectively.

This is in tune with the study conducted by (Roy, 2013) in which he talks about the training policy of public sector banks.

According to him the base and foundation of training infrastructure of Indian Banking especially of public sector banks is huge as they have training capacity 7000 employees on its own. This reflects the commitment of public sector banks towards training policy.

FACTOR 5: Improvement of skills Post-Training. The weightage of this factor is 1.367 out of all the factors. In this factor total 1 item, i.e., 17 and the statement of this item

is “Employees are less confident and less skilled before undergoing training programs”. This is validated by a study (Torrington and Hall ,1987) who state that training is imperative for effective performance and satisfaction in terms of job. This is further discussed by (Wright et al., 1999) when they say that there is definitely a direct relationship between training and performance.

The result of second part that is about overall score (score from 1 to 10) given to training related factors.

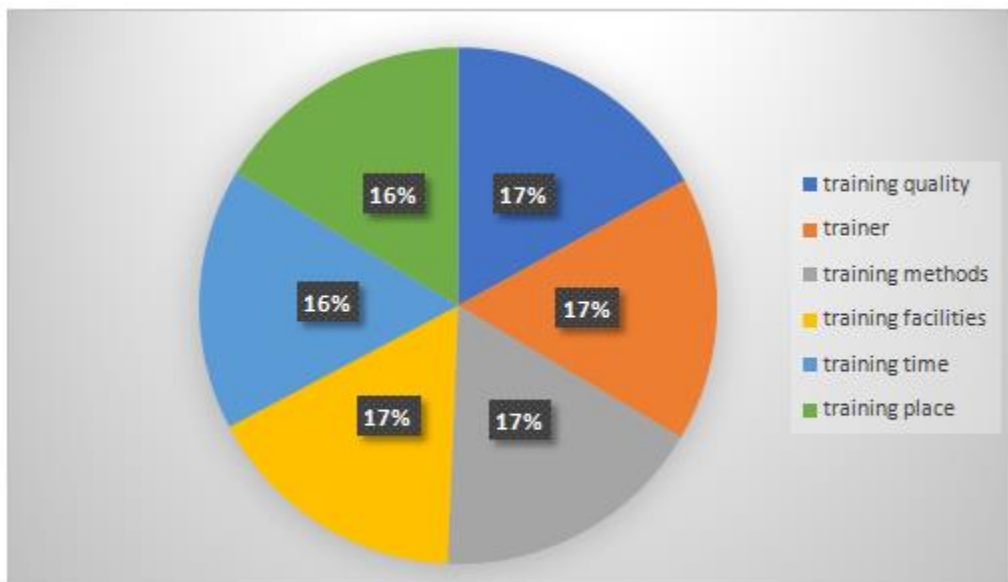


FIGURE 1

Conclusion

The present study highlights the awareness levels that employees have towards training. The employees also acknowledge the importance of training in aspects such as: skills enhancement, knowledge improvement ease to carry out day to day activities and work and employee productivity. Banking is a labor – intensive sector, therefore it is imperative for the banking organizations in the public sector to plan and implement well-thought out and skills based training practices. This will go a long way in improving the employee perception about training. The adoption of consistent training policy will play an important role in affecting

employees’ perception towards training programs.

Suggestions

Public sector banks must choose employees for training on the basis of their present skills and on the basis of their past performance, both (by maintaining a balance between them).

- Banks need to have a proper and well chalked out training policy along with systematic training schedules.
- Trainers must possess the requisite experience and skills to impart training.

- Banks must guarantee systematic methods to check and assess skill enhancement post training.
 - Suitable place, tools and adequate time should be provided to the employees for training.
 - Banks must device a comprehensive system to check training effectiveness, so that the effectiveness of training programs can be established.
9. Wright, P. M., McCormick, B., Sherman, W.S and McMahan, G. C. (1999). The role of human resource practices in petrochemical refinery performance, *International Journal of Human Resource Management*, 10(4), p. 551-571.

Bibliography

1. Aguinis H, & Kraiger, K. (2009) "Benefits of training and development for individuals and teams, organizations and society". *Annual Review Psychology*, 60, 451-474.
2. Ahmad, K.Z. and Bakar, R.A. (2003) „The Association between Training and Organizational Commitment among White Collar Workers in Malaysia“, *International Journal of Training and Development*, 7(3): 166-185.
3. Hellriegel, S. & Woodman., (2001). *Organisational Behavior*. (9th Edition). pp 523, South-Western.
4. K. Francis Sudhakar, Mr. M. Kameshwara Rao, Dr. B. Koteswara Rao Naik, (2011) "Employees perception about training and development". *International Journal of Research in Economics & Social Sciences*, November 2011, 35-36.
5. Ramakrishna, G., Kamleshwari, K., Girdhar, M and Krishnudu, C.H. (2012). "Effectiveness of Training and Development Programmes- A Case Study of Canara Bank Employees in Kurnool District", *International Journal of Multidisciplinary Research*, 2 (4), p. 150-162.
6. Roy, S. (2012, 2013). Impact of Training and Development Programmes on Indian Bank-A Study, *Business Studies*, Vol : XXX:111 & XXXIV, 2012 & 2013, p. 117-124.
7. Torrington, D and Hall, L. (1987). *Personnel Management a New Approach*, New York: Prentice/Hall
8. V S Rama Rao on December 27, 2010, Need for training, at <http://www.citeman.com/13010-need-for-training.html#ixzz1bOCZjp>.