



Listening to Trainers: Implications for Banking Sector in Modern Times

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Abstract

Banking sector is arguably the fastest growing sector of the Indian economy and has been labeled as its torch bearer. In the next few years substantial changes and expansion is expected in the sector in particular and economy in general. With such euphoria, human resource system in Indian banks braces up for these challenges and it brings forth one important area namely training. Purpose Understanding training from the perspective of trainers is very important and the current empirical study attempts to understand some perceptions and views of trainers with respect to training programmes conducted in banking sector. Findings The data collected from a sample of 125 trainers, proves a significant difference in perceptions of trainers regarding the effectiveness of training programmes with respect to performance of bank employees. Most of them view less time as a major barrier to training but feel a positive change comes over in bank employees after training is imparted to them. Implications/Contribution to literature This will help in designing meaningful training and development programmes so that the challenges of future can be taken up by bank employees especially as the current decade is throwing up new challenges.

Keywords/phrases – trainers, training programmes, banking sector, perception,

Since 1991, the banking system has come face to face with a new kind of environment that is heavily de-regulated and highly competitive due to the policy of liberalization, privatization and globalization. This has left a significant impact on the Indian banking sector. These changes have brought pressure on business share, interest spread and on the financial health of banks. The customer's expectations and demands have also undergone radical change due to entry of private banks that have started offering variety of value added services with focus on door step delivery and that too round the clock. The challenge and pressure of this new environment has resulted into a sea change in banking business process. These developments underline one very important area for attention: training.

The focus shifts to trainers and managers who are actually responsible for delivering training and development programmes Goldwasser (2001). The role of trainer assumes extreme significance in organizations. The demand for good trainers and training specialist becomes quite clear from this and organizations have set up training departments and training colleges with the sole purpose of providing quality trainings to existing and new employees Narang and Mahmood, (2011). Mehrotra (2005) also reports that most people who have done well in banking sector have at least once been trainers in their careers. Therefore, the success of a training programme depends

largely on their perceptions, skills and attitudes of trainers.

1) Objectives

The main objectives of this study were:

- a) Understanding the attitude and opinions of trainers regarding various aspects of training programmes conducted in banking sector.
- b) To identify the barriers to effective trainings.

2) Research Methodology

Based on study of literature and focus group interviews a questionnaire was designed and checked for validity. The sample was drawn from the both public and private sector banks through random sampling. 11 public sector banks and 10 private sector banks were covered. The study was conducted in the cities of Mumbai, National Capital Region, Kolkata, Hyderabad, Chennai, Bangalore and Lucknow with a sample size of 125.

3) Findings and Analysis

After the data was collected and checked for completeness and accuracy it was fed into statistical software SPSS 15.0. The results and its analysis are presented in this section.

Hypothesis (H1) - There is a significant difference in the perception of trainers regarding the effectiveness of training programmes with respect to performance of bank employees.

Table 1: Significance of the effectiveness of training programmes

Variables	Chi Square	Asymp. Sig. (p)
Effectiveness of training programmes	48.832	.000

Since the significance was found to be .000 (less than .05), the null hypothesis is rejected and the alternate hypothesis H1 is accepted. Most trainers feel training programmes effect performance of employees though in varying degrees. While 4% (n=5) are neutral in their response, another 4% report that trainings rarely affect performance of bank employees (Refer Figure 1.1 below).

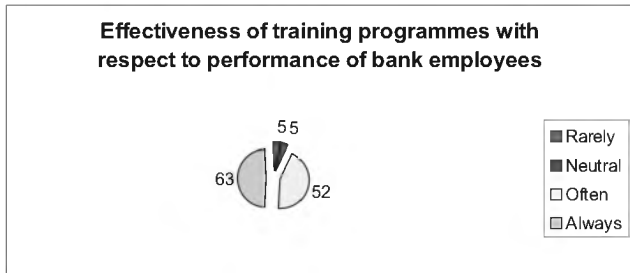


Figure 1.1

Table 2: Significance of some other variables (cross-tab) according to trainers

Variables		Chi Square	Asymp. Sig.
Effectiveness of training programmes	Positive Change	46.527(a)	.000
	Improvement in trainees	51.192(a)	.000
Time duration	Implementation time of learnings	20.576(a)	.015
Link with strategy	Fulfillment of training objectives	14.925(a)	.021

There is a significant difference of opinion regarding effectiveness of the training programmes with respect to a positive change in trainees. While more trainers who claim over 60% show positive change say it is always so, a large number feel the percentage falls between 35-60. For others there is almost no difference in the number of trainers who claim the change if often and this percentage is between 20-35 and 35-60 (Refer Table 2.1 below).

Table 2.1: Relationship between effectiveness of training programmes and indication of positive change in trainees according to trainers

Effectiveness	Positive Change					Total
	<5	20-35	35-60	60+	<5	
Neutral	0	4	0	1	0	5
Often	4	7	16	17	13	57
Always	2	2	4	23	32	63
Total	6	13	20	41	45	125

Again, there is a significant difference of opinion regarding effectiveness of the training programmes with respect to an improvement in employee performance as per their feedback. The opinion is divided between those who feel it happens often and those who claim it to be always. A significant number is neutral in their opinion on this matter (Refer Table 2.2 below).

Table 2.2: Relationship between effectiveness of training programmes and indication of improvement in trainee's performance according to trainers

Effectiveness	Improvement			Total
	Can't Say	Often	Always	
Neutral	5	0	0	5
Often	5	44	8	57
Always	3	39	21	63
Total	13	83	29	125

There is a significant difference of opinion regarding implementation time with respect to the duration of the training programmes. The percentage of trainers who feel learning should be implemented within one month and the find duration of programmes sufficient is more (45.6%, n=57) while another 23.2% (n=29) feel 1 to 2 months should be taken and find the time duration sufficient (Refer Table 2.3 below).

Table 2.3: Relationship between implementation of learnings acquired during training programmes and time duration of trainings according to trainers

Implementation	Time duration for training				Total
	Sufficient	Requires Extension	Needs to be cut down	Manageable	
<1 month	57	10	0	8	75
1-2 Months	29	2	0	5	36
2-4 months	7	2	1	1	11
4 months +	1	2	0	0	3
Total	94	16	1	14	125

There is a significant difference of opinion regarding trainings being linked with organizational strategy with respect to the objectives being fulfilled. Though almost all the respondents agree on both the aspects, the number those who view one or the other as significant or completely significant vary (Refer Table 2.4 below).



Table 2.4: Relationship between organizational strategy and fulfillment of training objectives according to trainers

Link with strategy	Objectives Fulfilled				Total
	Completely Disagree	Neutral	Agree	Completely Agree	
Disagree	0	0	1	0	1
Agree	0	9	33	6	48
Completely Agree	1	2	48	25	76
Total	1	11	82	31	125

The close relation trainer's perceive between organizational strategy and trainings are proved as they wish or try to fulfill the objectives of training programmes which are a part of organizational strategy.

The trainers have reported many features of trainings that are conducted in banking sector. Some of these are as follows:

a) Training methods: - A variety of training methods are used for training employees. in banking sector. Around 41% of the trainers (n=51) claim lectures are used while 23% (n=29) say conferences and seminars are used. Other methods like on-the-job (around 17%, n=21) and job rotation (around 11%, n=14) have lesser number of respondents

b) Importance of trainer's preparedness: - The trainers feel being prepared is necessary for a good training programme but still there is a difference of opinion amongst them. 4% (n=5) do not agree on this point at all, while the degree of agreement also varies among those who feel it matters (25.5%, n=32) and those who feel trainer's preparedness is necessary (around 69%, n=86)

c) Selection for training: - Trainees are selected on various criteria in banks. Several trainers (around 31%, n=39) claim Training Needs Analysis (TNA) is conducted while others claim it is purely on feedback from superiors (24%, n=30). Interestingly, other than appraisals (and running tailor-made programmes for identifying training needs (around 14%, n=18 each) other methods are also used. Since training involves cost and time, the trainees need to be properly and adequately selected. This explains why such methods are used rather than random selections over fixed time periods.

d) Link with strategy: - The trainers feel training objectives and outcomes should be an integral part of organizational strategy and should be well inculcated into it. There is only a difference of opinion on the degree to which it should be linked with a sole exception who disagrees on this vital issue. While more than 38% (n=48) agree on this point, close to 61% (n=76) completely agree. Actually, training should be an integral part of organizational strategy and may result in lack of co-ordination and budget related issues if it is not

so. This seems to be the reason why almost all of them are having this kind of opinion.

e) Implementation time: - Trainers are divided over the time when the learnings should be implemented at work place. The majority are of the opinion that it should be within two months (60%, n=75 in less than a month and around 29%, n=36 between one to two months) while some think it can go up to 4 months (around 9%, n=11) or even more (See Table 1.5 below). Learnings need to be reinforced over time periods and so most of the trainers seem keen on implementation as soon as possible.

f) Time duration for training: - According to trainers, time duration of trainings are sufficient (more than 75%, n=94) and manageable (more than 11%, n=14) while some feel an extension is required (around 13%, n=16). Since trainings are planned, time duration for training is taken into consideration while designing training programmes (it may hamper the overall working of bank). This explains why majority of trainers find time duration given for training employees to be sufficient. Also, most of the trainers are experienced in their field and so they are may be able to manage trainings in lesser time periods if required. They cut down on things that they know are not relevant or not so relevant to comply with the stipulated time given for training bank employees.

g) Most common problem: - Most of the trainers (40%, n=50) claim that long gaps between training sessions are the biggest issue in training bank employees. This fits in with what was observed while trainee's perception was being analyzed. A significant number complains about trainings being boring or useless (more than 25%, n=32). This is in accordance with the trainer's views that there is lack of interest by the staff.

Barriers to training

To understand the barriers in trainings better, respondents were asked to rank all the options so as to get a fair picture of these aspects. The various barriers were:

- i) Time duration, which referred to the time allocated for training and development programmes for bank employees.
- ii) Finances, which meant monetary allocation for training programmes by the bank concerned.
- iii) Lack of interest by management and by staff members
- iv) Less number of skilled trainers which was reported as a problem during discussions with trainers.

Most trainers find time constraint to be a barrier in effective training (around 47%, n=59) while around 23% (n=29) complain about lack of interest by staff members (See Table 3 below). The trainers feel time is the biggest barrier in effective training. This does not mean the time duration of training programmes. Instead it reflects the time bank employees have at their disposal for attending trainings. Since trainings involve personnel who are taken out from work, managers may be reluctant to let them go or allow them for limited time period. This explains why time is the biggest barrier according to trainers. Still, they somehow manage as reported earlier.

Table 3: Barriers to effective training according to trainers

Barriers	Frequency (n)	Percentage
Time	59	20.8
Finances	4	20.8
Lack of Interest by management	5	20.8
Lack of interest by staff	29	20.8
Less no of Skilled Trainers	18	20.8
Any Other	10	20.8
Total	125	

Friedmann test was conducted on these to obtain their ranks and the responses are reported in Table 4.

Table 4: Ranking the various barriers of training

Barriers	Mean Rank
Time Duration	1.98
Finances	4.35
Lack of interest-management	3.93
Lack of interest-staff	2.48
Less no of skilled trainers	2.96

Ranking the various barriers to effective training programmes, time duration was found to be the biggest barrier with a mean rank of 1.98 on a scale of 5. Clearly, this stands out from all other barriers of training programmes in banks. Lack of interest by staff with a mean rank of 2.48 was the second biggest barrier. Lesser number of skilled trainers with a mean rank of 2.96 followed very closely. Interestingly, finances are the last with a mean rank of 4.35 which implies that funds are allocated separately for training programmes and trainings are almost never affected for financial reasons. Similarly, top management takes interest in trainings and this fits in with the fact that most trainers feel trainings should be linked to organizational strategy.

4) Discussions & Conclusions

Trainers feel training programmes in banking sector are quite effective and tend to bring about a change in performance of bank employees. Most of them feel these training programmes meet their purpose. This finds support

from Narang & Mahmood (2011) who claim that the trainer's view about training programmes for bank employees is largely satisfactory and they consider these programmes vital for their performance. Also, trainers, in banking sector, mostly take enhanced learning as a parameter of successful training against increased performance as reported by Berge (2008).

Trainers report a host of training methods being used in banking sector. This is in accordance with the findings of Khandelwal (1998) who concluded that a host of training methods should be and are used in banking sector. Leap and Crino (1990) have also pointed out specifying which training method, under the broad headings of on and off the job, are used for inculcation of a specific kind of activity among employees.

According to trainers, banking sector employs a host of methods to select trainees among their employees. Training professionals in India use a variety of resources to meet their training needs. Indian employees also know that training and development provide opportunities to increase their value to an organization and to support their career objectives and goals. The most common method is conducting training needs analysis where the training needs are identified through a three step process. Actually training needs analysis (TNA) is very common among other sectors also and is considered quite reliable for identifying the individual and group training needs. According to O'Connor (2005) with training needs analysis and 360-degree feedback, a tailored development programme can address individual and group needs.

In Indian banking context, the finding related to TNA confirms what several studies have reported before. Verma (2004) has addressed the need for benchmarking of training needs in Public Sector bank which has to replace the hunch system prevalent in these banks. This is important as usage of a proper method for selecting trainees has been pointed out by all managers and trainers in the current study. None of them have reported a hunch or random selection of bank employees for trainings. All levels of employees, whether existing or new fall within the purview of training needs analysis. This is the same as reported by Deekshit (1981) who has elaborated the training needs for both the new as well as existing employees. Some other methods are also common for selecting trainees. Sometimes it is simply on the basis of feedback provided by superiors or on the basis of appraisals conducted at regular intervals. Some banks run tailor made programmes for selecting employees for trainings.

Trainers have identified several barriers in conducting training programmes in banking sector. Most trainers find time constraint to be a barrier in effective training while many others complain about lack of interest by staff members. The trainers feel time is the biggest barrier in effective training and this has been reported earlier by Khandelwal (1998) as well.. This does not mean the time duration of training programmes. Instead it reflects the time bank employees have at their disposal for attending trainings. Since trainings involve personnel who are taken



out from work, managers may be reluctant to let them go or allow them for limited time period. This explains why time is the biggest barrier according to trainers.

An interesting point trainers mention is: staff members are not interested in training programmes. This is contradictory to what the employees mention. They feel training programmes are not boring but a lot of time is unnecessarily wasted. Interestingly, trainers feel finances and support from management are minor issues in training and development for banking sector. Earlier studies (Hukku, 1993; Berge, 2008) have mentioned both sponsorship and budget as areas of concern. While the said study talks about training in general without specific reference to a particular sector or country, the current study is specific to banking sector in India and is the perception of only trainers and people who conduct training programmes. This explains why there is a difference in conclusions of the two studies.

5) Further Scope of Study

The following points may be considered for future research purposes:

- a) A comparative analysis of trainers and bank employees perceptions can be made which will help in designing more effective training programmes
- b) Perceptions of bank employees regarding barriers to training programmes can be studied separately.
- c) Effective of each training method can be studied on employee performance separately to find out which method is most effective for inculcating which kind of skills.

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