

IMPACT OF TRAINING AND DEVELOPMENT REGARDING THE BANKING SECTOR IN INDIA

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Abstract

The rapidly changing business environment in the banking sector and its constant challenges to organizations and businesses make it imperative to enhance and improve knowledge and skillsets across the organization continuously. Banks face several critical pressures, including a short supply of leaders, the need to develop and engage employees, and turnover issues. The biggest challenges faced by professionals within human resource management today are developing an effective HR strategy that aligns with and supports reorganization's short- and long-term business goals. However, even as high unemployment persists, employers face a shortage of candidates with the right skills and experience to fill critical jobs. This paper discusses the impact of training and development on the Employees of the Banking Sector.

1. Introduction

The hurriedly changing business environment in the banking sector and its constant challenges to organizations and businesses make it imperative to enhance and improve knowledge and skillsets across the organization continuously. The Bank has built strong capabilities with training and development to build competencies across various sectors. Internet-based training modules impart training on products and operations. Special programmes with functional training and leadership development are conducted to build knowledge and management ability at a dedicated training facility.

As per the report of Mrs Vijayalakshmi Murthy (2013 -2015), Previous research has shown that Human Resource Management is one of the most important determinants of organizational performance / efficiency. Bestowing to (Stephen A. Stumpf, May-June 2010), companies functioning in India create a robust human resource team by incorporating a strong organized HR practice. On certain parameters such as compensation and training and development, the private sector seemed to have adopted a practical approach such as screening and testing job applicants to ascertain their job-fitness, training needs analysis, training, evaluation. These authors also believe that Indian companies, whether big or small, implement HRM practices such as team member involvement practices, training and development practices, team member welfare practices, and managing team member relations to manage employees. (Stephen A. Stumpf, May-June 2010)

2 Objectives and Research Methodology

Objectives of the study

1. To assess the role of HRM in the Banking sector.
2. To know the Impact of Training and Development (T&D) for employees serving in banks.

Research Methodology

It is always critical of the sources' information, especially with the material that might have been collected to address a different problem area. Moreover, many secondary bases do not clearly describe issues such as the drive of a study, how the data has been analyzed, gathered, and interpreted, making it hard for the researcher to assess their usefulness. To address this problem, It has tried to triangulate the secondary data by using numerous independent sources. The information about the problem is poised from the Trade Magazines, Research Journals, Annual Reports of Banks and the Internet evaluating "The Impact of T&D in Banking Industry" I have focused on as recent material as possible. To contact the latest developments in this area, I have used several academic journals and trade magazines. We have also used secondary information from Internet-based discussion forums.

3. Role of HRM in Banking Organisation

Human Resources (HR) container include a broad spectrum of specialities within organizations. Some specialities include recruiting, policy, safety, payroll, training and development, and performance management. In smaller organizations, the HR professional may holder all of those specialities, and in larger organizations, each speciality is most likely its department.

Several banks in India were trying to hire professionals with higher packages even when their GDP was quite high as they could not find readily available talent. Few banks have taken steps to build talent, and one amongst them is ICICI Bank. They have strained to build the available resources on the supply side to billable resources on the demand side. Our country is mainly subject to medical and engineering colleges, where the bank industry finds it difficult to locate specific institutes that produce only a pool of talents for banks. It made the banking industry look beyond top cities for talent and moved to a town and rural India that needed to be refined on social and corporate skills. The roles within HR can vary greatly and with many departments from the virtuously administrative to the decision-making. Another related and perhaps more vital question that is often discussed is, "what should HR be doing?" For, HR 's primary purpose is to ensure that the right people are working in the right places to accomplish the organization's goal.

In other words, HR is responsible for developing programs that will select, attract, develop, and retain the talent wanted to meet the organizational mission. So whether they are an HR department or a combination of multiple departments that include hundreds of employees, the primary responsibility is talent management. In an article written by Fast Company Magazine's Keith Hammonds, Keith purports all the reasons "Why We Hate HR." If the title itself is not enough to put an HR professional on the defence, then providing the declaration that "HR people are not the sharpest tacks in the box" as the first reason surely will. His assertion in the object is that those entering the HR field are not business people and are ill-equipped to recognize the business. He quotes a Culture for Human Resource Management study that known which coursework HR professionals found most helpful to their success in the field to support his message that the majority y of those working in the field do not see sympathetic business as needed to their success. The results exhibited that coursework in communications, business law, and ethics were most beneficial. A recently released SHRM survey of HR leaders specifies the finding. The respondents indicated that strategic thinking is one of the top five competencies needed for senior HR leaders; however, business information was not listed. While the lineage of the field of HR coupled with the introduction of legislation to protect employers may have contributed to stereotypes that exist in the field about the HR profession, our failure as HR professionals to recognize that we are business people charged with the company's most valuable assets will certainly continue to harbour those stereotypes we so emotionally defend. If they need a seat at the table, learn the business of business and speak the executive team's language.

4. Impact of the Training and Development in the Banking Sector

The major impacts of effective training and development in the banking sector may be given as below:

i. Motivating the workforce

Due to the global market's growth, a technological edge supported by a talent pool has become vital for survival. Due to this reason, the organization gives the main priority to technology progression programs. HR managers are now execution the role of motivators for their knowledge workers to adopt new.

ii. Managing people

Due to the growing competition, there is a need in the group for knowledge workers. Hence the businesses always look for an individual who can make a difference. The reason to gain the right knowledgeable person had become a costly deal for the organizations, but the attitude is different for those taking up responsibilities at a lesser age and experience. These factors have resulted in a clear shift in individualized career management approach from organization career commitment .

iii. Competency Development

Human capital is the actual asset for any society, and this makes the HR role important in recruiting, managing, and retentive the best. The HR department has a pure role in this process and controls the success tempo of any organization. An urgent priority for most organizations is to have an advanced and sound HR management practices with strong business knowledge and a competent HR pool .

iv. Developing Trust factor

Low levels of trust inhibit implicit knowledge sharing in the knowledge-based industry. Companies must take more initiatives to improve the employees' security levels (Chiamsiri, S., Bulusu, S. D. & Agarwal, M. (2005)).

v. Work-life Balance Factor

This aspect creates the challenge of smoother assimilation and the newcomers' cultural binding into the organization fold. The pressure of delivering the best quality services in a reduced time frame calls for ensuring that employees maintain a work-life balance (Chiamsiri, S., Bulusu, S. D. & Agarwal, M. (2005)).

vi. Attrition/Retention of the Talent Pool

One of the toughest challenges for HR managers in any industry deals with the prevalent high attritions level. Though there is an acceptable supply of qualified staff at the entry-level, there are huge gaps in the industry's middle and senior-level management. Further, the salary growth plans for each team member are not well defined. This situation has resulted in enlarged levels of poaching and attrition among organizations. The industry normal attrition rate is 30-35 per cent and could vary up to 60 per cent

vii. Bridging the Demand-Supply Gaps

HR managers have to bridge the gaps between the demand and supply of professionals. With the help of T&D, they maintain consistency in performance and keep the motivation levels of employees high, notwithstanding the monotonous nature of works. The same also leads to recurrent training costs. Inconsistent performances directly affect revenues. Dwindling motivation levels leads to a loss of interest in the jobs and higher numbers of errors.

Conclusion

There is sufficient evidence to show that employees who were trained regularly are the ones who provide higher quality services to the customers. There are coherent corporate culture requirements rather than ad-hoc programs to develop an integrated and proactive training and development strategy. In a service-oriented industry such as banking, people are among the most important assets, and a bank must efficiently manage its employees during every phase of employment in this competitive arena. It is concluded that public sectors bank undertake training and development programmes to increase their efficiency. Banks deliver training programmes to enhance their knowledge and skills to satisfy the customers. India's banking sector's growth results from a skilled workforce, which is training and development.