

Training Situation and its Impact on Banking Operation in Bangladesh: A Study on Dhaka City

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Received: 9 December 2019 Accepted: 3 January 2020 Published: 15 January 2020

Abstract

In Bangladesh the banking industry is becoming more competitive than ever. The public and the private sector banks are chasing with each other for their accomplishment. It is the age of globalization. So, for coping with the challenge of globalization the banking sector should use more innovative progress. And for coping with this innovative progress the employees should be well groomed with effective training. Training is the strategy for helping the bank employees to develop their personal and organizational knowledge, skills and abilities. Efficient and effective training program improves the quality and efficiency of the employees. This study explores the training situation and its impact on banking operation in Bangladesh. To accomplish these objectives, 150 employees of the public and the private banks are selected in different areas in Bangladesh.

Index terms— training, effective, banking sector, employee and operation

1 Introduction

To provide instruction to the new employees, the aim of any training program is to help them to reach the required level of performance in their jobs quickly and economically. For the existing staff, training will help grow capabilities to improve to learn new technologies or procedures, their performance in their present occupations, and to prepare them to take higher responsibilities in the future. Key findings were that maximum of the employees agreed to the item statements by making it clear that Training had a positive impact on their professional knowledge, work quality & quantity, practical skills, and their motivation & loyalty. Because, these are all linked to their performance either strongly or moderately but in a supporting direction. The study settled up with Training absolutely impacting the staffs' performance in the banks of Bangladesh.

2 II.

3 Definitions of Training

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

According to 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 typically considered as the organized procedure by which people increase knowledge and rise skill for a certain resolve." III.

5 Literature Review

Training has the specific goals of enlightening employees' competence, aptitude, and performance in the banking sector. It forms the staple of preparations and provides the backbone of content at institutes of technology. Moyeen and Afreen (2001) found a positive relationship between training programs and employees' job involvement. Hughey and Mussnug (1997) found a positive correlation between employee training and employee & job satisfaction. In addition to the basic training required for a trade, occupation or profession, observers of the labor-market recognize the need to continue training beyond initial qualifications: to maintain, upgrade and update skills throughout working life. People within many professions and occupations may refer to this sort of training as professional development (Rahman, M.A, 2012). The instructional design process revolves around four basic steps: organizational objectives, needs assessment, training design, and training evaluation. Garavan et al. (2003) found the training process is more job oriented that can change employees' attitudes and behaviors. The banking sector of Bangladesh is playing a significant role and playing as a leader in the financial, industrial, and commercial activities. Debnath (2003) indicates that the productivity of workforce in the banking sector of Bangladesh will have to be increased by proper training both on the job and off the job. Moreover, ??ecenzo & Robins (2003) state, "training brings about the changes in ability, awareness, approach, and behavior". Besides, Griffin (2003) supports training, usually in the human resources management perspective refers to teaching operational and technical employees as to how to do the job for which they were hired. Furthermore, Mathis & Jackson (2004) state 'training as a procedure whereby people obtain capabilities to assist in the accomplishment of organizational objectives.' Besides, Mc Gehee and Thayer (1999) support training as "the formal procedures a company uses to facilitate employees' learning so that their resultant behavior contributes to the attainment of the company's goals and objectives." More specifically, training is a systematic approach to skills and knowledge acquisition or attitudinal enhancement that improves performance (Goldstein, 2001). Therefore, Roth well (2002) indicates effective training as systematically designed learning, based on a complete analysis of job requirements and trainee compatibility. This clarification implies a definite training process, one highly regarded model for describing the systematic development of training programs is the instructional design process (Hossain & Islam 2012). This model states that there should be a logical flow in training practice moving from planning to implementation to evaluation. Dows well (1998) concluded that lack of time, growing age, and other practical constraints demotivated the employees during the training. Training is the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies (Wikipedia).

Physical training concentrates on mechanistic goals: training-programs in this area develop specific skills or muscles, often to peak at a particular time. Some physical training programs focus on raising overall physical fitness. For psychological or physiological reasons, people who believe it may be beneficial to them can choose to practice relaxation training, or autogenic training, in an attempt to increase their ability to relax or deal with stress. Some commentators use a similar term for workplace learning to improve performance: training and development. There are also additional services available online for those who wish to receive training above and beyond that which is offered by their employers. Some examples of these services include career counseling, skill assessment, and supportive services. One can generally categorize such training as on-the-job or off-the-job. Onthe-job training takes place in a normal working situation, using the actual tools, equipment, documents, or materials that trainees will use when fully trained. Onthe-job training has a general reputation as most effective for vocational work. Off-the-job training takes place away from normal work situations -inferring that the employees are not counted as directly productive workers while such training takes place. Off-the-job training has the advantage that it allows people to get away from work and concentrate more thoroughly on the training itself. This type of training has proven more effective in inculcating concepts and ideas. In religious, and spiritual use, training may refer to the purification of the mind, heart, understanding and actions to obtain a variety of spiritual goals such as closeness to God or freedom from suffering. Training needs assessment is traditionally regarded as a diagnostic process that occurs before training. The purpose of a formal needs assessment is to identify the training targets (Huselid, M.A, 1995). In the past, there has been disagreement about the appropriate terminology to describe this process. Some authors choose to distinguish a needs assessment from a needs analysis. For example, Kaufman & Valentine (1999) refer to needs assessment as the process for identifying and prioritizing gaps in performance. In contrast, they define needs analysis as the process for attributing the cause to identify performance gaps. Hence, the entire process will be referred to as a needs assessment. So, once training has been conducted, a comprehensive evaluation should follow. In recent years, this taxonomy has been expanded to include additional evaluative criteria such as return on investment (ROI) and cost/utility analyses (Phillips, 2002). Training evaluation is concerned with the achievement of the desired level of proficiency and the attainment of requisite knowledge and skills (Goldstein, 2001). Hence, training effectiveness is a broad construct that identifies situational or contextual factors impacting learning, retention, and transfer (Ford, 2006). Goldstein (2001) claims that, of all of the best practices, assessment is probably the most important part of the process.

Generally, training is splatted into two very broad categories -Internal (provided by the company and utilizing existing internal resources and tools) and External (paid for by the company but provided off-site through a 3rd party training firm). Most often, external training is utilized when the skills are not already present in the organization and it is a senior-level course requiring specialist knowledge and certification. Also, External Training might be utilized if there is an urgent need for a specific skill set in the business. Both types of

training International Journal of Ethics in Social Sciences, Vol.38 2, No. 1, June 2014 have value; however, and the reasons for choosing one type over another are somewhat dependent upon budget and time. While some technical courses are very specific to the technology that is being trained, there are some commonalities in training that should be made clear as many courses will emphasize these areas quite extensively. The primary purposes of effective training evaluation are to examine the viability, success rate, and utility of implemented training programs. Without this information, no clear conclusions about the effectiveness of programs can be made. Nor can organizations make informed decisions regarding where to make revisions or updates to current programs (Dressler, G, 2007). To truly be effective or successful, training programs must incorporate more of the established best practices. All of the steps in the process are important (Brown, J, 2002)

6 Objectives of the Study

A high level of quality is essential to achieve objectives. High quality is not an added value; it is an essential basic requirement. The specific objectives are:

? To find out the effectiveness of training on employees in improving their skills. ? To find out the satisfaction level of employees with the given training program.

? To know the opinion of the employees about the present situation of training in the banking sector.

V.

7 The Methodology of the Study

Population and Sample: For the survey, the author used a face to face communication with the bank employee with the interview schedule. Questionnaires were sent to the employees at the time of a working hours and were also collected at the intervening time. Here we surveyed 150 employees of the public and the private banks. Among these employees, there are managers, senior officers, junior officers, and cash officers.

8 Data Collection Technique:

This study is mainly based on primary data investigation from the survey. For this purpose, a constructed questionnaire was developed. In the questionnaire there were more than 20 questions. The questions were restrained and explored through a 5-point scale standardized by Brayfield-Rothe (1951). It includes "strongly agree/ 5, agree/ 4, neutral/ 3, disagree/ 2, and strongly disagree/ 1."

Data Analysis Technique: The SPSS statistical software package was used for statistical analysis. The reliability of the data was restrained, and all the results are found out by using the SPSS-12.0 model. In this analysis section, Strongly Agree to represent highly positive respondent to the interviewee. Agree represent a positive respondent to the interviewee. Neutral represent no comment to the interviewee. Disagree represents adverse respondent to the interviewee. Strongly Disagree represents highly negative respondent to the interviewee. Strongly Agree, Agree, and Neutral are considering as positive responses in the calculation table. Disagree and strongly disagree are consider the negative responses in the calculation table.

9 VI.

10 Limitations of the Study

It was not possible to collect more information due to proper guidance and relevant information. For this research, there was little study on this specific sector. That's why there is a lack of appropriate maintenance. This study basically on the present situation of training and its impact in the banking sector in Bangladesh. The results of descriptive statistics have been demonstrated in Table 1 where the frequency with a percentage distribution of the selected individual-level variables of bank employees in Bangladesh is disclosed. It is noticed from Table 1 that most employees (85.3%) are male, and the other 14.7% are female. Here the number of female employees should be increased in the bank. Also, 29.3% and 70.7% of employees are in the 21-30 and 30 & more years of age groups respectively. There are 41.3%, 30%, 23.3% and 5.3% junior employees, senior officers, officers, and managers, respectively. Here 80% employees are in 1-15 years of working experience and the other 20% is above 15 years. Here 80% of employees said that their banks have well planned training programs, and the further 20% said negative. The entire bank should have a well-planned training facility for operating the bank business properly. 83.3% of employees gave the answer that their banks have regular basis training, but 16.7% answered in the negative. Here 84% said that there are the training facilities that are regularly reviewed and improved. But 16% said otherwise. So to perform well the training facilities should be reviewed and improved. Here in the statement of increasing skill by training 7.3% gave neutral opinions, 31.3% agree, and the 61.3% strongly agree are found. So it is proved that training increases the employees' skill. In the statement of enhancing qualitative service by training there, we found 6% neutral, 30% agree, and 46% strongly agree. There do not disagree and strongly disagree. So it is proved that the training enhances the qualitative service. In a statement of minimizing fault by training, the respondents have 5.3%, 27.3%, and 67.3% answer in neutral, agree, and disagree, respectively. No negative answer there. So it is imagined that providing training fault can be minimized. Neutral agree and disagree 8%, 26%, and 66% responses respectively on the statement of improving leadership & managerial skill. In personal development, through training, there are 4.7% neutral, 30% agreement, and 65.3% strong agreement

and the other statement of professional development are 6% neutral, 30.7% agreed, and 63.3% strongly agreed. So it is proved that the personal and professional development of employees in the banking sector can be improved by fruitful training. From this, it can be said that for improving the effectiveness and efficiency of banking activities, there must be well-planned training programs for the employees in the banking sector on a regular basis and those should be reviewed and improved for coping with globalization. In Table 2, the results of descriptive statistics have been demonstrated, where the frequency with a percentage distribution of the selected individual level variables and association on training satisfaction among employees of different public and private banks in Bangladesh is exposed. In table 1, it is observed that male 85.3% impact on training satisfaction, whereas female has only 14.7%. Here the male employees have more impact on training satisfaction than the female employees. The designation is the important variable which that has a highly significant effect on training satisfaction. There is a 41.3% impact on training satisfaction of junior employees, 30% impact of senior employees, 23.3% impact of officers, and the other 5.3% impact of managers. Levels of a job are significant in training satisfaction. There are 3% impacts on training satisfaction of lower-level employees, 102% impact of middle-level employees, and the other 45% impact of top-level employees. Tenancies also have a highly significant impact on training satisfaction. There are 80% and 20% effect on training satisfaction of employees whose tenure is (1-15) years and (16 & more) years correspondingly.

VII.

Results & Discussion

Lastly, well-planned training, regular training, and reviewed and improved training have an impact on training satisfaction among the employees are as 80%, 83.3% and 83.3%, respectively. These variables have a strong significant effect on training satisfaction. Finally, the individual level variables -gender, designation, level of job, duration, well-planned training, regular training and reviewed, and improved training have a strong association with training satisfaction of the employees of the public and the private banks in Bangladesh. From table 3 here, it is seen that there are eight types of training procedures that are provided to the banking employees. All the banks follow all these types of training systems. Some are more, and some are less followed. These training are delivered based on the situation. Coaching, job rotation, exceptional tasks are provided for knowing and handling all the situations of bank. Sometimes lectures, seminars, case studies are delivered on an exceptional topic. In informal learning sometimes the manager says something about the working system and sometimes the employees talk with each other about the efficient working procedure of the bank. And there is also the job instruction, what and how should be done in the banking sector that is provided by the top level. IX.

Conclusion

The key purpose of this study was to find out the current position of a training facilities in the banking sector and its impact on the operation of bank business. Here the training is the asset and investment rather than the cost of the bank. To develop a combined and practical training and development strategy, there is a requirement of rational corporate culture rather than adhoc programs. In a service-oriented industry such as banking, people are among the most significant assets, and in this competitive arena a bank must efficiently manage its employees during every stage of ^{1 2}

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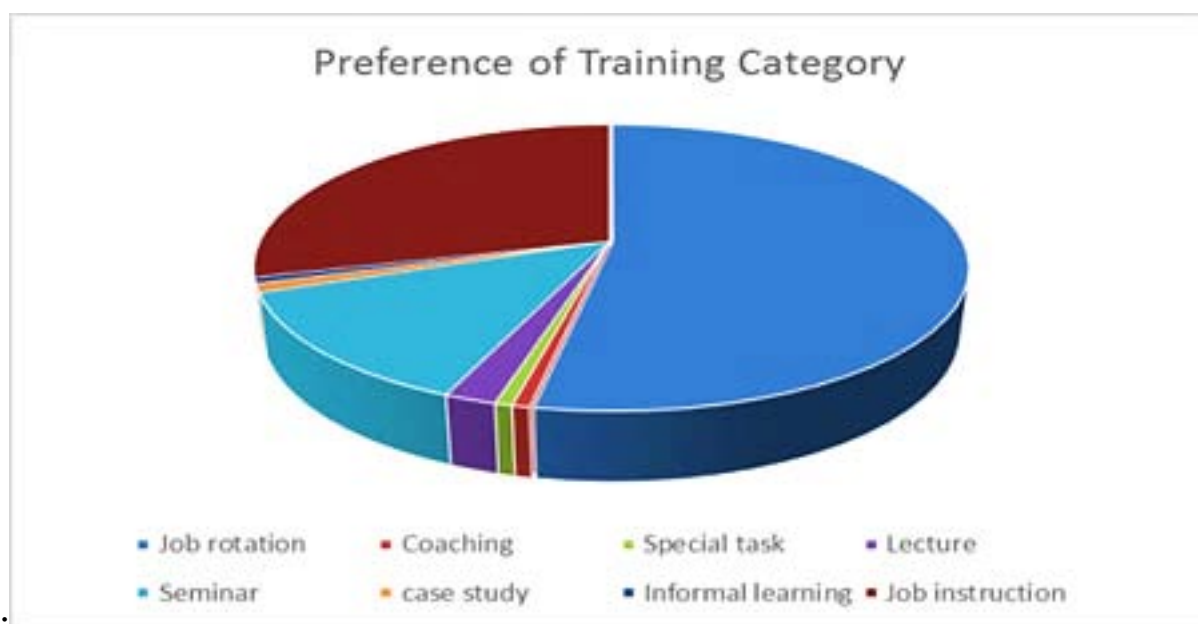


Figure 1: Figure :

Raju (2005) conducted an opinion survey on the various aspects of training like management's attitude, selection process, quality of training, the impact of training on productivity & individual and post-training assessment in different categories of banks in Coimbatore. A questionnaire was formulated comprising various aspects of training and opinion on the statements was sought from 154 employees of 24 banks in Coimbatore.

IV.

Figure 2:

1

Particulars	Frequency	Percentage
Gender		
Male		
Female		

Figure 3: Table 1 :

2

Variables	Impact on job satisfaction				Yes	No	Total	% of im-		x ² cal and p-
								act		value
Gender										
Male Female Total	100	20	120	28	2		128	22	85.3	14.7
				30			150		100	x ² = 1.918 p = 0.249
Designation										
Junior Officer	48			14			62		41.3	
Senior Officer	36			9			45		30	
Officer	28			7			35		23.3	x ² = 2.258
Manager	8			0			8		5.3	p = 0.291
Total	120			30			150		100	
Level of Job										
Lower Level	3			0			3		2	
Middle Level Top Level Total	80	37	120	22	8		102	45	68	30
				30			150			x ² = 1.339 p = 0.551
Duration										
1-15 16 & more Total	103	17	120	17	13		120	30	80	20
				30			150			100
										x ² = 12.760 p = 0.001
Well Planned										
Agree Disagree Total	103	17	120	17	13		120	30	80	20
				30			150			100
										x ² = 12.760 p = 0.001
Regular Training										
Agree Disagree Total	107	13	120	18	12		125	25	83.3	16.7
				30			150		100	
										x ² = 14.700 p = 0.000
Reviewed & Improved										
Agree Disagree Total	103	17	120	22	8		125	25	83.3	16.7
				30			150		100	
										x ² = 2.700 p = 0.108

Figure 4: Table 2 :

3

Characteristics	Frequency	Percentage
Coaching		
Sometimes	44	29.3
Mostly	58	38.7
Often	35	23.3
Always	13	8.7
Job rotation		
Sometimes	21	14
Mostly	55	36.7
Often	41	27.3
Always	33	22
Special tasks		
Sometimes	27	18
Mostly	57	38
Often	54	36
Always	12	8
Lectures		
Sometimes	28	18.7
Mostly	58	38.7
Often	52	34.7
Always	12	8
Seminar		
Sometimes	32	21.3
Mostly	67	44.7
Often	43	28.7
Always	8	5.3
Case studies		
Sometimes	42	28
Mostly	67	44.7
Often	30	20
Always	11	7.3
Informal learning		
Sometimes	40	26.7
Mostly	56	37.3
Often	41	27.3
Always	13	8.7
Job instruction		
Sometimes	50	33.3
Mostly	49	32.7
Often	37	24.7
Always	14	9.3

Figure 5: Table 3 :

.1 Appendix

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