



## A STUDY OF TRAINING & DEVELOPMENT ON EMPLOYEE PRODUCTIVITY IN BANKING SECTOR

Ms. Sheetal Jain,  
Research Scholar,  
School of Studies in Management,  
Jiwaji University, Gwalior (M.P.) India.

Dr. A. K. Mandil  
(Professor)  
Govt. M.L.B. College of Excellence, Gwalior (M.P.), India

### Abstract:

*Employee productivity is essential for any organization because an organization relies upon the productivity of its workforce. Productivity has become an important consideration for business. In this research we analyzed the Influence of Training & Development on employee productivity. In this study a self-designed questionnaire is framed for data collection. Cronbach alpha test of reliability is applied to measure the reliability of the questionnaires. Regression is applied to find out the Influence of Training & Development on employee productivity. Correlation is applied to the measure the level or extent to which the two variables Training & Development and employee productivity vary with reference to each other. In this study we find out that there is positive and significant correlation between Training & Development and Employee productivity and we also found that Training & Development has a significant impact on employee productivity.*

**Key words:** Employee productivity, Training & Development.

### Introduction

**Training & Development:** Training and development play an important role in the effectiveness of the organization and it gives people expertise in their work. Training has implication for productivity, health & safety at work and personal development of all employees. Training and development are aimed at acquisition of knowledge, change in attitude and rapid growth of employees. Training and development process have the potential to make a strong positive impact on the performances of individual, teams and the business. The training is provided to meet the needs of employees in order to achieve the business mission. In present market scenario it has been observed that training is required in every field be it sales, marketing, human resources, relationship building, logistic, production, engineering etc.

**Employee Productivity** – Employee productivity is an assessment of employee's efficiency. It is evaluated by looking at the total workforce or employee output in a given time. In most cases, the

productivity of an individual will be assessed in comparison to the average output of other employees doing similar work. In today's highly competitive environment, productivity of each employee is required for competing in the market. All organization depends on the productivity of its workforce to achieve the business targets. It is necessary to measure the employee productivity be in product or service industry. There are different methods to measure employee productivity in product & service industries. In this study we have selected banking sector which is both a product based as well as service-oriented business where employee productivity can be measured by evaluating how many clients an employee sees, how many products an employee has sold and what is the customer feedback of employee interaction.

### **Review of Literature**

**Oatey (1970)** stated that there is little discussion on the measurement of costs and economic benefits from training. He further mentioned that training improves a person's skill at a task. Training helps developing employees socially, intellectually and mentally. Training is very essential in facilitating not only the level of productivity but also personality development of employee.

**According to Akinpelu (1999)**, training & development is a continuous process. He emphasized the important reasons for training and development which makes it compulsory to have in any organization. Few reasons include the need to perform one's job efficiently, the need to know how to lead others and the desire to meet organizations objectives of higher productivity.

**Kayode, Taiwo (2001)** carried a research on the role of training in charge management. He described that training can solve a variety of manpower problems which militate against optimum productivity. According to author these problems differ in natures such as these problems can emerge within any groups: except non-except, line and staff, unskilled, skilled, paraprofessional, professional and lower, middle and upper management. He suggested that it is essential to conduct training programs to increase productivity, to develop new skills, knowledge, understanding and attitudes and to improve the quality of work and raise morale in the organizations.

**Juliana (2004)** studied training and development techniques for improving organizational performance for Ghanaian firms. Researcher described selected successful models of training and development as they may apply to firms in Ghana. This study critically analyses the ADDIE model, useful for training and development. Researcher explained selected methods of needs assessment for training and development programs for employers and employees. This research paper used to identify selected managerial techniques that contribute to lost productivity and morale. The researcher also carried a survey to selectively assess what business skills are mostly required for career success. The results of

this study suggest recommendations for developing a comprehensive plan (model) for the creation of effective employee training and development program in Ghana.

**Singh and Mohanty (2012)** carried a review on training practices and employee productivity and impact of training on employee productivity across various sectors. They discussed that some studies have found a positive association, some negative and some no association in between training practices and employee productivity. According to comparison and analysis studied they suggested that the impact and effect of training practices on employee productivity varies for different industry. The paper concludes with directions for future research by applying different level of analysis on exploring the impact of training practices on employee productivity.

**Ojha and Puthali (2013)** studied the necessity of evaluation of training that calls for the development of the technical knowledge and skills required for fresher and associates working in different departments of pharmaceutical industry. They described selected successful models of training and development, methods of training needs assessment for and managerial techniques those contribute to lost productivity and morale and build the confidence in employees. Researchers observed carrier growth of working professional as they adapted new skills and technologies due to trainings.

### **Objectives**

There are following objectives for this research.

To find out the influence of Training & Development on Employee Productivity

To check the correlation between Training & Development and Employee Productivity.

To open up new vistas for further research.

### **Hypothesis**

H01: There is no relationship between Training & Development and Employee Productivity.

H02: There is no significant impact of Training & Development on Employee Productivity.

## **RESEARCH METHODOLOGY**

### **2.1 STUDY**

The study is causal in nature and survey method is used to collect the data.

### **2.2 SAMPLE DESIGN**

#### **2.2.1 POPULATION**

Population included all the respondent from Banking Sector.

#### **2.2.2 SAMPLE SIZE**

Sample Size includes 50 respondents from Banking Sector.

#### **2.2.3 SAMPLE ELEMENT**

Individual respondents are the sample elements.

#### **2.2.4 SAMPLING TECHNIQUES**

In this study we used non probability purposive sampling technique. It is relevant sampling technique for this study.

### 2.3 TOOLS FOR DATA COLLECTION

Self-designed questionnaire is used to collect the data. The questionnaire is developed on a five-point likert type scale where 1 indicates strongly disagree and 5 indicates strongly agree.

### 2.4 TOOLS FOR DATA ANALYSES

**Reliability:** - Cronbach alpha test of reliability will be applied to check the reliability of the questionnaires.

**Correlation:** - Correlation is applied to the measure the level or extent to which the two variables Training & Development and Employee Productivity vary with reference to each other.

**Regression:** - Linear regression will be applied to find out the cause and effect relationship between variables.

#### Reliability Statistics:

Reliability test was applied to find out the questions in the questionnaire is consistent and reliable. If reliability is greater than .7 then questionnaire is considered as consistent. We checked the reliability for Training and development and Employee productivity with the help of SPSS 20.0 software.

Reliability Statistics	
Cronbach's Alpha	No. of Items
.899	5

From the above table, the reliability for the Training and development is .899 which is more than .7 so we can say all the question in the questionnaire for the variable is consistent and can be considered for further study

Reliability Statistics	
Cronbach's Alpha	No. of Items
.932	6

From the above table, the reliability for the Employee productivity is .932 which is more than .7 so we can say all the question in the questionnaire for this variable is consistent can be considered for further study.

#### Correlation Analysis

In this research correlation was used to find out the correlation between Employee productivity and Training and development with the help of SPSS 20.0 software.

H01: (Null Hypothesis) There is no relationship between Training and development and Employee productivity.

For analyzing the relationship between Training and development and Employee productivity Spearman correlation was applied between Training and development and Employee productivity.

Correlation			
		Training & development	Employee Productivity
Training & development	Pearson Correlation	1	.732**
	Sig. (2-tailed)		.000
	N	50	50
Employee Productivity	Pearson Correlation	.732**	1
	Sig. (2-tailed)	.000	
	N	50	50
**: Correlation is significant at the 0.01 level (2-tailed)			

From the above table the correlation value between Training & development and Employee Productivity is .732 which is significant at .000. So, the null hypothesis is rejected, and the result of this test indicates that there is positive and significant correlation between Training and development and Employee productivity.

### Regression Analysis

The linear Regression is applied between Training and development (independent variable) and Employee productivity (dependent variable) to understand whether Employee Productivity can be predicted based on the Training and development. Here the relationship between them is found with the help of SPSS 20.00 software.

H02: There is no significant impact of Training and development on employee productivity

Training and development is independent variable and Employee productivity is dependent variable. The results of regression analysis as follows:

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.732 <sup>a</sup>	.535	.526	3.81909
a. Predictors: (Constant), Training & Development				

The Model Summary table provides the *R* and *R*<sup>2</sup> values. The *R* value represents the simple correlation and is 0.732, which indicates a high degree of correlation. The *R* Square indicates how much of the total

variation in the dependent variable, Employee Productivity, can be explained by the independent variable, Training and Development. In this case, 53.5% can be explained, which is satisfactory.

ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	807.019	1	807.019	55.330	.000 <sup>b</sup>
	Residual	700.101	48	14.585		
	Total	1507.120	49			
a. Dependent Variable: Employee Productivity						
b. Predictors: (Constant), Training & Development						

From the ANOVA table the F value 55.330 is significant at 0.000 level of significance which means  $p < 0.05$ . It denotes a good fit for the data.

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.783	2.408		2.401	.020
	Training & development	.921	.124	.732	7.438	.000
a. Dependent Variable: Employee Productivity						

The Coefficients table provides us with the necessary information to predict Employee Productivity from Training & Development, as well as determine whether Training & Development contributes statistically significantly to the model (by looking at the "Sig." column). Furthermore, we can use the values in the "B" column under the "Unstandardized Coefficients" column, the regression equation is as per below:

$$\text{Employee Productivity} = 5.783 + 0.921(\text{Training \& development})$$

From the coefficients table we can also see that beta value is 0.732 is significant at 0.000 level of significant ( $p < 0.05$ ), null hypothesis is rejected, Hence, we can say that there is significant influence of Training and development on Employee productivity.

## Conclusion

This research has been conducted to analysis the influence of Training and development on Employee productivity. In this research we found that Training and development play a vital role in enhancing the productivity of the employee in the organization. Training and development upgrades Employee's skill, helps in achieving individual goals, increases employee's job satisfaction and motivates employee to work harder. All these factors make employee more productive at workplace.

Hence training and development has a positive & significant role in enhancing the level of employee productivity. This study was done for banking sector, Future studies can be conducted on other sectors as well.

## References

1. Oatey, Michael (1970). The Economics of training with respect to the firm. *British Journal of Industrial Relations* 8(1), pp.1–21.
2. Akinpelu, Biodun. "Educational technology and teaching–learning process in the 21st century." *Basic of Education, Lagos Triumph Books publishers* (1999).
3. Kayode, Taiwo (2001). “*The Role of Training in charge Management*” Journal of the Institute of Personnel Management of Nigeria. Vol. 10, No. 7 pp. 24 – 31. B6 Problems Training and Development can Solve in an Organization
4. Kirkpatrick Juliana S. Manu (2004) Training and development techniques for improving organizational performance for Ghanaian firms, The Graduate School, University of Wisconsin-Stout.
5. Rohan Singh and Madhumita Mohanty (2012). “Impact of Training Practices on Employee Productivity: A Comparative Study” *Interscience Management Review (IMR)* ISSN: 2231-1513 Volume-2, Issue-2, pp 87-92
6. Rajashri Survase-OJHA and Shivanand Puthali (2013). “The Necessity of Evaluation of Training that Calls for the Development of the Technical Knowledge and Skills Required for Freshers and Associates Working in Different Departments of Pharmaceutical Industry” *International journal of pharmaceutical and chemical sciences* ISSN: 2277-5005 Vol. 2 (2) [www.ijpcsonline.com](http://www.ijpcsonline.com)

\*\*\*\*\*