IMPACT OF TRAINING AND DEVELOPMENT ON ORGANIZATIONAL EFFECTIVENESS: A STUDY ON PRIVATE SECTOR BANK

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ABSTRACT:
The term "organizational effectiveness" is well-known in the fields of business and research, and it is acknowledged as a tool to assess profitability and/or productivity. The effectiveness of the organization is significantly influenced by the employees. The expertise and potentiality needed to accomplish a specified task have changed as a sequel of technological refinements. Training and development are complimentary elements of a single process. Instead of being sequential and hierarchical, they are interconnected and dependent on one another. Any organization's performance is greatly influenced by its well-trained and developed workforce. Thereupon, the focus of this paper is to evaluate how training and development affect employees' performance and to look at how training and development relate to the organisational effectiveness. The primary data for this descriptive study was gathered by 50 HDFC Bank employees utilizing a standardised questionnaire. Data is collected using the simple random sample method, and SPSS is used for analysis. In this study, the main conclusions and their relevance are discussed.

Keywords: Training and development, organizational effectiveness, employee performance, private bank.

1. INTRODUCTION
Each and every organization's prime goal is to increase its performance, but this can never be achievable without effective employee’s performance. Performance is the act of carrying out something or being productive (Sims, 2002). At the levels of the organization, process, and individuals, organizational performance is realized. Applying training and development methods help the organization attain its objective altogether while also benefiting the employees who contribute to that organization. The organized learning experience of employees show how to carry forward their present and future jobs which referred as training and development. The development of staff activities and support of them with regard to their physical qualities and
their ways of thinking toward subject areas (Fanibuyan, 2001). Ideas with the main goal of increasing productivity have become increasingly important in recent years. In other words, training is a set of activities that are provided to the staff in an effort to modify their own perspectives and their present knowledge of particular topics. In return training improves the staff performance and develop their abilities in order to benefit the needs of the organization. The main objective in achieving the organization's goals is performance. The efficiency and effectiveness of the company will rise as a result of the employees' performance, which is beneficial for achieving the company's objectives (Samuel, 2018). Organization performance is a term that is frequently used in study and practice. This phrase dates back to the era of industrialization and scientific management in terms of the research field. Organizational effectiveness was once understood to be a technique for gauging production and/or profits. Learning is accomplished by training and development, henceforth it may be delineated as an organizational resource that employee’s can use to procure, infer, and apply knowledge. Performance as a sequel helps the organization to expand because the employees can put into practices the skills and knowledge they have gained via training & development (Neelam Tahir et al. 2014). Therefore, training & development should be viewed as a funding that provides overall returns and advantages to both businesses and employees, as well as a chance for progress. Training and development are implemented in order to support the organization's overall objective because they will benefit not only organizations but also to the people that configure that organization. Training & development enhances profitability of the organization while advancing more favorable perceptions towards profit making (Anwar et al. 2015). Each employee’s job knowledge is enhanced by training and development, which also benefit them in identify with the organization's objectives.

2. LITERATURE REVIEW

Jaspreet Kaur (2021) depicted that the employees training and development is important aspect of human resource management to meet the organizational objectives. Training is a continuous process which leads to development of the employees in their work. Training and development benefits the employees in improving their skills and knowledge and reduces the attrition rate and in turn increases the retention rate. And this contributes to improve the performance of bank in the market place and increases the productivity. The findings indicated that the productivity in
banking sector is positively influenced by various aspects of training and development programmers.

*Ingrid Zemburuka et al. (2020)* discussed that the training is very old concept but still lives as it changes the employees’ performance as well as organizational performance. The effective use of training and development program will improve the employees’ competency along with performance because the training and development educate the employees’ on how to perform their job effectively and help them to be ready for future responsibilities. The findings of the study indicates that there established a positive relationship training, development and employees’ performance.

*Ananthalakshmi Mahadevan et al. (2019)* investigated how training techniques affected workers' performance in a Malaysian direct selling company. According to research, the key tasks in an organization to guarantee greater levels of competence with a competent workforce in order to continue and develop in a changing work climate is building a skilled and knowledgeable staff. Examining the effects of on and off-the-job employee training on their performance was the goal of this study. The findings indicated that this kind of training has greater impact on employee performance than on-the-job training.

*Shafiq Sumaiya et al. (2017)* explored how training & development affected worker job performance in a Malaysian private corporation. An organization's employees are one of its most valuable assets and contribute to its success. To improve employee performance, it is important to take account of their learning. The goal was to look into how job rotation, job enrichment, training methods affected performance of employees in the private businesses. The study indicated that, whereas other independent variables were shown to be not significant variables in influencing employee performance, job enrichment was only independent variable element that had a substantial positive result on dependent factor.

*Philipina Ampomah (2016)* asserted that a crucial element in raising employees’ performance in organisations is training & development. The case analysis of Pentecost University College was used in this research to test impact of training & development on employees’ performance in a private postsecondary institution at Ghana. According to the study, training motivates workers, and training and development boost the Pentecost University College's performance. There is no doubt that Pentecost University College has an established program to spend in the learning and development of its personnel. They also occasionally conducted training programmers for their
staff to keep up with the latest information and skills. The report suggested that mandatory training and development programmes should be implemented for all staff.

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3. RESEARCH METHODOLOGY:
The descriptive research design served as the basis for this study. Utilizing a simple random sampling technique, 50 HDFC bank employees who are working in the Karnataka state districts of Davangere and Chitradurga were chosen as the sample size. This research study makes use of both primary and secondary data. To establish the validity of the study, Likert scale was used to phrase subjective questions. The questionnaire was filled out by employees for this study. We gathered secondary information from online resources. Data analysis was done with the aid of statistical tools.

3.1. STUDY OBJECTIVES
- To understand the dimensions of training and development.
- To evaluate the impact of training and development on performance of employees.

To explore the relationship between training and development with organizational effectiveness

3.2. RESEARCH HYPOTHESIS:
H1: Training & development have a positive relationship towards employee’s performance.
H2: Training & development have a positive relationship towards organizational effectiveness.

4. DISCUSSION
4.1. DIMENSIONS OF TRAINING & DEVELOPMENT
1. Orientation/Induction Training: This will be provided as soon as a new extension staff member is hired to acquaint with their position. This largely considers introducing new entry to the company. This training aim is to educate all new entries with the organization's objectives, culture, and other employment requirements.

2. Foundational Training: This is suited for newly hires; each and every employee need to have professional knowledge of the many regulations and rules of the government, as well as certain administrative, communication, and report-writing skills.

3. Job Instruction Training: Also known as "on-the-job" training, it is received while an employee is actively working. It is mostly used to direct employees on how to execute their
existing tasks. The trainer can be a manager or a fellow worker. This approach encompasses each one of the learning elements when it is properly carried out.

4. Career advancement: it is the continual development of knowledge and potentiality, including expertise and professional growth, along with professional planning activities. Professional development abilities are those that are above and above what is required for a work, even though they may subtly enhance job performance.

5. Refresher Training: This keeps employees updated and allows them to build on the information and abilities they currently possess.

5. DATA ANALYSIS AND INTERPRETATION:

5.1. RELIABILITY TEST

For a scale of higher than 0.7, Cronbach’s Alpha coefficient is considered optimum. As a result, all of the reliability values in this research were greater than 0.7, which is higher than the permitted level. Table 1 displays the Cronbach's Alpha for all the variables.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Description</th>
<th>Items (in numbers)</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training &amp; Development</td>
<td>Statements about the objectives of training and development</td>
<td>6</td>
<td>0.786</td>
</tr>
<tr>
<td>Employees Performance</td>
<td>Statements about how training and development impact on employees’ performance</td>
<td>7</td>
<td>0.873</td>
</tr>
<tr>
<td>Organizational Effectiveness</td>
<td>Statements about the organizations effectiveness</td>
<td>5</td>
<td>0.819</td>
</tr>
</tbody>
</table>

Source: Primary Data

5.2. VALIDITY TEST

According to the guidelines, KMO value should be more than 0.7. The value of KMO, which is 0.713, satisfies the acceptability criteria of sampling for factor analysis, as shown in Table 2. Bartlett's test of sphericity was found to have significant with a p<0.001, representing that the variables were sufficiently correlated.

TABLE 2: VALIDITY RESULT
Kaiser-Meyer-Olkin measure of sampling acceptance  | 0.794  
Bartlett's Test of Sphericity  | Approx. chi-square  | 111.697  
 | Df  | 3  
 | Sig.  | 0.000  

Source: Primary Data

5.3. TESTING OF HYPOTHESIS:
The analysis of Pearson’s correlation test was carried to test the significance between the independent and dependent variables. Table 3 shows that, correlation coefficients between Training & Development and Employees’ Performance is 0.738 and correlation coefficients between Training & Development and organizational effectiveness is 0.703 were significant at a level of significance, p<0.01. Hence alternative hypothesis’s accepted and null hypothesis’s rejected.

<table>
<thead>
<tr>
<th>Training &amp; Development</th>
<th>Employee’s performance</th>
<th>Organizational Effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>0.738**</td>
<td>0.703**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

Source: Primary Data

INTERPRETATION: The above finding shows that there exists a positive association between Training & Development and employees’ performance and also between Training & Development and organizational effectiveness.

5.4. LIMITATION OF THE STUDY
The study is limited to one of the elements of human resource management, particularly in the area of training and development. This study was carried out in HDFC bank of Davangere and Chitradurga districts of Karnataka. There are 17 banks in these regions. Thirty percent banks were selected for data collection. It means that 5 banks were selected randomly. The questionnaires distributed among these five branches.
6. CONCLUSION

Though training and development is indeed an old concept, but it is still relevant because it affects both employee and organizational performance. Hence this study’s main objective was to evaluate the impact of training & development upon organizational effectiveness and employee performance at HDFC bank of Davangere and Chitradurga districts of Karnataka state. 50 samples were used in the study’s descriptive research approach. The correlation between training & development and both employees’ performance and organizational effectiveness was well-established using correlation analysis. The study found a positive relation between training & development and organizational success as well as a positive association between training & development and employees’ performance.

REFERENCES


