CHAPTER V

SUMMARY OF FINDINGS AND SUGGESTIONS

5.1 INTRODUCTION

5.2 SUMMARY OF FINDINGS

5.3 SUGGESTIONS
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In this chapter a brief summary of the findings of the study is given along with a few suggestions for improving the training programmes so as to be more effective and to improve the performance of the banks.

5.2 SUMMARY OF FINDINGS

Training of employees is very important for the development of any organisation more so for banks. A well trained employee is an asset in any organisation. Because of training the operations improve, the relationship between the employer and employees becomes more cordial and also the banker-customer relationship improves. The importance of training and the role of training in improving the performance of banks has been discussed in Chapter I.

The phenomenal growth of banks in terms of branches, deposits, advances, importance given to priority sector and weaker sections of the community and the sea-change which has taken place in the services necessitate a continuous and effective system of training of the bank employees. The progress of banks has been discussed in Chapter III. Commercial banks have made an allround progress in India and Salem District.

The trends in banking after their nationalisation in the year 1969 reflect that they have been performing very well. There
are a number of factors contributing to this phenomenal development of Commercial banks in the last two decades. They are change in the Government policy, development of banking habits, Customer patronage, employee morale, industrial development of areas and employee training. Training input is one of the factors contributing to the performance of banks. As there are many other factors contributing to the performance of banks it becomes imperative to study whether training contributes to bank performance in any significant manner. In this study an attempt has been made to relate employee training to performance of banks.

Various method of training such as job training, vestibule training, lectures, demonstrations and conferences are discussed in Chapter II. In Chapter IV the components of the training schemes in a few bank staff training colleges have been discussed.

In order to relate the training input to the performance of banks the two variables, employee training, the independent variable and performance of banks, the dependent variable of the study had to be measured. The employee training is a qualitative variable and can be measured indirectly. In this study this variable has been measured by giving scores to the various components of training received by the selected employee respondents and for each employee a training score has been arrived at (Appendix IV). The average of these scores of all the employees selected from a particular branch constitutes the training score for each selected bank.
Performance of banks can be measured in quantitative terms. There are a number of indexes such as deposits, advances, advances to priority sector and customer services. The deposits and advances are in rupee unit but the customer services are not available in terms of rupees. But the number of instruments serviced such as demand drafts, travellers cheques, and hundies are available. In order to construct one index for performance the amount of deposits and advances in rupees and the number of instruments serviced are to be combined. A weighted average method has been followed to construct a composite index for performance of each bank. (Appendix V) Thus for each bank a training score and a performance index have been obtained. Then correlation analysis of these two measures has been made. As this analysis has been made on a sample, 't' test has been applied to ascertain the significance of the correlation coefficient. This correlation coefficient is not significant (appendix VI) indicating that the relationship between training and performance as revealed by this sample is not significant.

Therefore the hypothesis formulated that 'Training improves performance' has been rejected. Thus the main finding of the study is that there is no relationship between employee training and performance of banks. Hence the conclusion is that performance of banks is influenced more by other exogenous factors than by employee training.
5.3 SUGGESTIONS

5.3.1 To Improve Training

i Employees will have to be developed as specialists rather than generalists. The right person should be selected for the right job and get training in those areas. His performance should be evaluated thereafter so as to ascertain the impact of the training he received.

ii Due to rapid changes in day to day banking refresher course should be given once a year so as to improve the overall knowledge and operational ability.

iii Training should be properly utilised for self development which will reflect on the service of banks to the customer and the general public.

iv In the training programmes, practical problems and solutions should be given priority over hypothetical assumptions and standard solutions in perfect conditions.

v More experts and specialists in different areas should be invited to take classes to have first hand knowledge about banking sector and development in banking.

vi Emphasis should be given for operating the innovative schemes of deposits and services.
5.3.2 To Improve Performance of Banks

i  Banks should make it a point to mobilise the deposits to the maximum possible extent.

ii Customers should be given due importance their complaints should be minimised.

iii Advances can be increased to all the sectors like agriculture, small scale industry and priority sectors.

iv Training undergone by the employees should be utilised properly so as to improve their performance ultimately resulting in the improvement of bank performance.