CHAPTER II

ROLE OF TRAINING IN IMPROVING PERFORMANCE

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2.1 IMPORTANCE OF TRAINING

There is an ever present need for training men so that new and changed techniques may be taken advantage of and improvements effected in operations. Training is a practical and vital necessity because it enables employees to develop and rise within the organisation and increase their earning power and job security. It moulds the employees' attitudes and helps them achieve better co-operation with the company and greater loyalty to it. Training, moreover, heightens the morale of the employees, for it helps in reducing dissatisfaction, complaints, grievances and absenteeism and reduces the rate of turnover. Further, trained employees make a better and economical use of materials and equipment. Therefore, wastage and spoilage decline and there is no need for constant supervision.

2.2 TRAINING AS A TOOL TO IMPROVE INSTITUTIONAL PERFORMANCE

Institutional training is the process in which the employees are withdrawn from the job scene and deputed to training establishments for attending various courses/programmes. This helps in acquisition of new knowledge, skills and development of proper attitudes in a structured fashion. Institutional training also helps
in participative learning through experience sharing, individual and group work and better understanding of concepts with the techniques of case studies, role plays, and various other simulation exercises. The use of audio-visual aids like over-head projector, slide tape presentation and management films helps in achieving the preplanned programme objectives. In certain situations, the system of 'Mobile Instructors' to operate in remote areas can be immensely helpful in reinforcing mainly the job related skills.

2.3 TRAINING AS A TOOL TO IMPROVE EMPLOYEES PERFORMANCE

The training system in the banks must be geared to ensure achievement of continued excellence of the banking sector in all its areas of activities. An indepth look the present demands on the banking system of the country calls for a new breed of bankers—bankers who can sensitively analyse the environment and skillfully convert the same into effective schemes; bankers who can not only dispense credit but also create conditions for its effective use and provide knowledge, expertise and help in developing skills and appropriate attitudes to bring about not only a socio-economic but also cultural change in the community they serve. The present day bankers by sheer necessity of changing times are cast in the role of change agents for undertaking this task of national development. The acceptance of this imperative need of continuously developing a new breed of bankers is indeed a very important responsibility that the banking system must accept.
To increasingly achieve positive results and to help sprout the fruits of training to the entire staff engaged in operational as well as planning activities of the banks, training has to be regarded, as one of the strongest supportive systems. It must also have the support of the top managements of the respective banks. In the new era of banking, the approach to training has to focus on the following three main aspects.

2.3.1 Bridging the knowledge gaps: Dissemination of knowledge in all modern banking activities including development of priority sector (agriculture, small scale industries and small business) banking is the primary responsibility of any training system. The vast number of employees in the banking world of today coming from various disciplines need to acquire professional knowledge and expertise for effective job performance in their work situation. They must be given job related training at the time of their entry and later on by way of a planned training strategy as and when they move laterally and/or vertically. Imparting of knowledge should also embrace the rationale of the various activities of banking operations and the fast changing operative instructions so that they can remain alert in protecting the banks from the dangers of frauds. In the global context necessitating interdependence among countries of the world, the new breed of bankers also need acquisition of
knowledge in highly technical and complex areas such as credit appraisal and international banking operations.

2.3.2 Development of proper skills: This is another important area which any training system must encompass. The skills of developing methods for greater customer satisfaction as well as efficient handling of various transactions including processing of proposals and application of systems and procedures are very necessary. Apart from this, the bank personnel also require to imbibe in themselves the practical acumen of using the knowledge gained by them in the day to day discharge of their duties. To this end, skills orientation assumes significant importance.

2.3.3 Attitudinal Orientation: Perhaps the most vital aspect of training which the new breed of bankers require is appropriate attitudinal orientation. Emphasis on this is essential individually and in groups, so that people are effective in their respective roles. The potential and productivity of each individual employee need to be prospected and stretched for optimising contribution to the organisation through appropriate inputs to meet both functional and managerial requirements for all round development of an individual employee. For integration of organisational objectives with those of the individuals, exploration of self through applied behavioural science techniques and group dynamics helps total growth of an employee.
It is the culture and climate of any organisation and the leadership qualities of its employees which in ultimate analysis, contribute to its stability and continued excellence. These efforts need to be built in by way of training interventions in all the programmes for developing a perspective culture and generating conducive problem solving climate for the attainment of organisational priorities. Training in positive attitudes needs to begin from the entry point itself and to be reinforced periodically. Young men and women should be asked to engage in continuous self renewal exercise through reflection, interaction and adopting positive responsive behaviour vis-a-vis organisation and the society.

The various needs as stated above of knowledge skills and attitudes have to be appropriately knitted in drawing up training plan of any organisation. This has to be done through the process of adopting a flexible approach towards training activity in banks. This can take place through the process of 'On the job' learning facilitated by self-learning aid at branches in the form of job card, programme learning instructions, and manuals. Rotation of jobs and the superior helping the subordinates to learn while performing the job are equally necessary. Provision of appropriate inputs and exposure to new conceptual learning at the various levels of career progression in the organisation of an employee will help in maximising the benefit of training.
2.4 IMPORTANCE OF TRAINING TO IMPROVE BANK PERFORMANCE

An effective system of training and developing the employees in banks must have the following pre-requisites.

Training has to be perceived as an integral part of the organisational process for providing support to employees to become increasingly effective and achieve better results.

It should take into account the continuing changes in the socio-economic scenario and integrate its efforts with the environment in which the bankers are functioning.

It should be effectively integrated with the other systems and sub systems of the organisation and should be internalised so as to be accepted as an enabling mechanism of helping people to perform better and excel in their jobs.

Besides becoming a think tank of the organisation, it should also undertake action research and special studies for promoting organisational health, its renewal and development.

It has to be relevant to the operational realities and needs of the user systems in the organisation. The employees in their back home situation should be supported to put into practice the new knowledge imbibed through various learning processes.

An innovative and flexible approach is essential in drawing plans and designing programmes, likewise spontaneity and sensitivity
to situation are necessary so that needs are anticipated and inputs are accordingly readjusted.

The training institutions should have appropriate infrastructural facilities such as good residential accommodation and class/syndicate rooms equipped with appropriate audio-visual aids. Most important in this regard is the trainer who should possess the necessary attributes of a facilitator with good educational background, sufficient operational experience with proven service record, ability to communicate effectively and willingness to work as trainer with dedication.

Training for this new breed of bankers is a continuous process and this process needs to be refined and professionalised, blending in it the operational realities and the mission and the ideals of the organisation. The training system should develop the competence to act as a bridge between these two.

2.5 METHODS OF TRAINING

The forms and types of employee training methods are interrelated and multi-faceted in scope and dimension, and each is suitable for a particular situation. An effective training techniques provides motivation to the trainee to improve job performance, develop a willingness to change, provides for the trainee's active participation in the learning process and provides a knowledge of results about attempts to improve and permit practice where appropriate.
2.5.1 ON THE JOB TRAINING

Virtually every employee from clerk to President gets some 'on-the-job training' when he joins a firm. Trainees earn as they learn under the watchful eyes of a master, receive immediate feedback, practice in the actual work environment and associate with the same people they will work after training. Under this technique an employee is placed in a new job and is told how it may be performed. It is primarily concerned with developing in an employee a repertoire of skills and habits consistent with the existing practices of an organisation and with orienting him to his immediate problems. Employees are coached and instructed by skilled co-workers, by supervisors and by special training instructors. They learn the job by personal observation and practice as well as occasionally handling it. It is learning by doing and it is the most useful for jobs that are either difficult to stimulate or can be learned quickly by watching and doing. This training is generally given in a large number of organisations and is suitable for all levels of operatives, supervisors and executives, for it needs no schools, and the employee's contribution adds to the total output of the enterprise.

2.5.1.1 Job Instruction Training: This method is very popular for preparing supervisors to train operatives. This method requires skilled trainers, extensive job analysis, training schedules and prior assessment of the trainees' job knowledge. The actual training follows a four step process.
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i preparation of the trainee for instruction

ii presentation of the instructions giving essential information in a clear manner

iii having the trainee try out the job to show that he has understood the instructions; if there are errors they are corrected and

iv encouraging questions and allowing the trainee to work along and the trainer follows up regularly.

This method provides immediate feedback on results, quick correction of errors and provision of extra practice when required.

2.5.1.2 Vestibule Training: This method attempts to duplicate on the job situation in a company classroom. It is classroom training which is often imparted with the help of the equipment and machines which are identical with those in use in the place of work. This technique enables the trainee to concentrate on learning the new skill rather than on performing an actual job. It is a very efficient method of training semi-skilled personnel, particularly when many employees have to be trained for the same kind of work at the same time. It is often used to train clerks, bank tellers, inspectors and typists.

2.5.1.3 Demonstrations and examples (learning by seeing):

In this method, the trainer describes and displays something, as and when he teaches an employee how to do something by actually
performing the activity himself and by going through a step by step explanation of why and what he is doing. Demonstrations are very effective in teaching because it is much easier to show a person how to do a job than to tell him or ask him to gather instruction from reading material.

2.5.1.4 **Simulation:** Simulation is a technique which duplicates, as nearly as possible, the actual conditions encountered on a job. Trainee interest and employee motivation are both high in simulation exercises because the actions of a trainee closely duplicate real job conditions. This training is essential in cases in which actual on-the-job practice might result in a serious inquiry, a costly error, or the destruction of valuable materials or resources.

2.5.1.5 **Apprenticeship:** For training in crafts, tapes and in technical areas, apprenticeship training is the oldest and most commonly used method, especially when proficiency in a job is the result of a relatively long training period of 2 years to 3 years for persons of superior ability and from 4 to 5 years for others. A major part of training time is spent on the job productive work. Each apprentice is given a programme of assignments according to a predetermined schedule, which provides for efficient training in trade skills.

2.5.2 **OFF THE JOB METHODS**

In this method, the place of training is away from the place of the job.
2.5.2.1 Lectures (classroom instruction): Lectures are regarded as one of the most simple way of imparting knowledge to the trainees, especially when facts, concepts or principles and problem solving abilities are to be taught. Lectures are formal organised talks by the training specialist, the formal superior or other individual specific experts. This method can be used for very large groups which are to be trained within a short time, thus reducing the cost per trainee. The most important uses of this method are:

i reducing anxiety about upcoming training programmes or organisational changes by explaining their purposes.

ii introducing a subject and presenting an overview of its scope.

iii presenting basic material that will provide a common background for subsequent activities.

iv illustrating the application of rules, principles, reviewing clarifying and summarising.

The main advantage of the lecture system is that it is simple and efficient and through it more material can be presented within a given time than in any other method.

2.5.2.2 Conferences: In this method, the participating individuals 'confer' to discuss points of common interest to each other. A conference is basic to the most participative group centered methods of development. It is a formal meeting, conducted in accordance with an organised plan, in which the leader seeks to develop
knowledge and understanding by obtaining a considerable amount of oral participation of the trainees. It lays emphasis on small group discussions, on organised subject matter and on the active participation of the members involved. Learning is facilitated by building up on the ideas contributed by the conferees.

2.5.2.3 Seminars (team discussion): This is an established method for training. A seminar is conducted in many ways:

i It may be based on paper prepared by one or more trainees on a subject selected in consultation with the person in charge of the seminar. The trainees read their papers and this is followed by a critical discussion. The Chairman of the seminar summarises the contents of the papers and the discussions follow their reading.

ii It may be based on the statement made by the person in charge of the seminar or on a document prepared by an expert, who is invited to participate in the discussion.

iii The person in charge of the seminar distributes in advance the material to be analysed in the form of required readings. The seminar compares the reactions of trainees, encourages discussions, defines the general trends and guides the participants to certain conclusions.

iv Valuable working materials may be provided to the trainees by actual files.
The trainees may consult the files and bring these to the seminar where they may study in detail the various aspects, ramifications, and complexities of a particular job or work.

2.5.2.4 Case studies (learning by doing): The case is based upon the belief that managerial competence can best be attained through the study, contemplation and discussion on the concrete cases. The case is a set of data (real or fictional) written or oral miniature description and summary of such data that present issues and problems calling for solutions or action on the part of the trainee. When the trainees are given cases to analyse, they are asked to identify the problem and to recommend tentative solutions for it. This method offers to the trainees matter for reflection and brings home to them a sense of the complexity of life as opposed to theoretical simplifications of and practices in the decision making process. The case study is specially valuable as a technique of developing decision making skills and for broadening the perspective of the trainee.

2.5.2.5 Role Playing: In role playing, trainees act out a given role as they would in a stage play. Two or more trainees are assigned parts to play before the rest of the class. These parts do not involve any memorisation of lines or any rehearsals. The role players are simply informed of a situation and of the respective roles they have to play. Sometimes after the preliminary planning, the situation is acted out by the role players. Role playing primarily
involves employee-employer relationship—hiring, firing discussing a grievance, procedure, conducting a post-appraisal interview or disciplining a subordinate or a salesman making representation to a customer. Thus role playing is especially useful in providing new insight and in presenting the trainee with opportunities to develop interactional skills.

2.5.2.6 Programmed Instruction (teaching by machine) method:

Programmed Instruction involves a sequence of steps which are often set up through the central panel of an electronic computer as guides in the performance of a desired operation or series of operations. It incorporates a prearranged, proposed or desired course of proceedings pertaining to the learning or acquisition of some specific skills or general knowledge. It involves breaking information down into meaningful units and then arranging these in a proper way to form a logical and sequential learning programme or package.

2.5.2.7 T. Group Training: This usually comprises association, audio-visual aids and planned reading programmes. Through a regular supply of professional journals and informed social contacts or gatherings, members are kept informed of the latest developments in their particular field. Audio-visual aids records, tapes and films are generally used in conjunction with other conventional teaching methods. Planned and supervised reading programmes are conducted. Technical publications and the latest journals are kept in the library for the use of the trainees.
2.5.3 RETRAINING

Retraining programmes are generally arranged for employees who have long been in the service of an organisation. The retraining programmes may be necessitated under the following circumstances:

i  Some employees are engaged in a confined phase of a particular task and lose their all round skills in a particular trade.

ii During prolonged lay off period, employees on certain highly skilled job are given retraining when they are called back to work.

iii Technological changes may make a particular job on which an employee is working, unnecessary and the company may desire to retrain him rather than discharge him.

iv An employee, because of illness, accident or incapacity due to age, may no longer be able to do his share of work he performed when he was in normal health.

v Economic depression or cyclical variations in production create conditions in which employment stabilisation may be achieved by having a versatile work force capable of performing more than one job.
2.6 SUMMARY

In this chapter the importance and role of training as a tool to improve institutional and employee performance has been explained. The role of training as an input so as to improve the performance output of banks has been discussed. The following methods of training have also been explained.

On the Job Training: Job instruction, vestibule, demonstration, simulations and apprenticeship.

Off the Job Training: Lectures, conferences, seminars, case studies, role playing, programmed instruction, T.Group training and retraining.