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1.0 Introduction

Human resources are an organization’s greatest assets because without them, everyday business functions such as managing cash flow, making business transactions, communicating through all forms of media, and dealing with customers could not be completed. Human resources and their potentiality they possess are key drivers for any organization’s success. With globalization and technological advances, today's organizations are continuously changing. Thus, organizational change impacts not only the business but also its employees. In order to maximize organizational effectiveness, human potentials, individuals' capabilities, time, and talents must be managed and developed. Within banks, a major responsibility of the top management is to develop personnel through training and development.

Training in this context, can be thought of as an organizational process of assisting people in enhancing their efficiency and effectiveness at work and cultivating appropriate behaviour and attitudes towards work and people. Training is valuable to the employee in terms of better job security and greater opportunity for advancement. A skill thus acquired by the employee through training is an asset to the organization. Employee training represents a significant expenditure for organizations. Senior management should recognize that the training function has valuable intelligence about employees’ core skills. The training unit, in a successful program, understands the organizations strategic direction and can design and implement a creative way of moving people in that direction. As a

result, banks have to continue to deal with two urgent challenges, first is to improve their competitive position by reducing costs and the second is to learn how to manage the impact of technological development.

Consequently training and development has become one of the most critical aspects of human resource effectiveness. No matter the way one looks at training and development, they help employees to learn how to use the resources in an approved fashion that allows the organization to reach its desired output. Training and development has grown concerned not only with helping individuals to adequately fill their positions, but also with helping whole organizations and sub-departments to grow and develop. Every organization needs to have well trained and experienced people to perform the activities that have to be done. It is necessary to raise the skill levels and increase the versatility and adaptability of employees. Inadequate job redesigning or technological breaks through require some type of training and development efforts.

Training is the process of assisting a person for enhancing his efficiency and effectiveness at work by improving and updating his professional knowledge by developing skills relevant to his work and cultivating appropriate behaviour and attitudes towards work and organization. Training could be designed either for improving present capabilities at work or for preparing a person for assuming higher responsibilities in future, which will call for additional knowledge and superior skills. Finally, Training is the systematic modification of behaviour through learning which occurs as a result of
education, instruction development and planned experience. Training is the increasing of knowledge and skill of an employee for doing a particular job Steinmetz (1996)².

1.1 Concept of Training

The term training refers to the acquisition of knowledge, skills and competencies as a result of the teaching of occupational or practical skills and knowledge that relate to specific useful competencies. The definition of training expands from training directly related to the performance of official duties to any training that improves individual and organizational performance and assists an agency in achieving its objectives and goals Hessling (1997)³, Scott & Spriegal (1996)⁴. Functional definition of training is the acquisition of concepts, theories, knowledge, skills and attitudes. The significance of training lies in making employees more effective and productive. It is actively and intimately connected with all personnel or managerial activities. It is an integral part of the whole management programme with all its activities functionally inter-related.

He contends that companies seem to realize that a well-trained workforce is the key to competitiveness. The more organizations seek excellence, the more employees' training and development becomes imminent. In contemporary organizations, information dissemination by itself leads to little or no results. It is the ability of the organization to disseminate knowledge that leads to employees' skills and abilities development. Training is usually aimed at solving significant problems which we suppose to use it as a key

requirement for ensuring that any training which takes place is based on proper analysis of its contribution to the effectiveness and efficiency of an organization.

Training has been seen by scholars as an aid in adjusting to work environment which is designed to increase the capacity of individual or group in contributing to the attainment of the organizational goals Van Buren, M. E., & Erskine; W. (2002). From the above definitions it can asserted that training is a technique concerned with the development of skills and knowledge in particular discipline. Training enhances and improves person’s skills, training imparts knowledge, changes person’s attitudes and values towards a particular direction. Knowledge and attitudes of employees is for the purpose of increasing effectiveness of employees in their present organizational positions as well as preparing employees for future positions. The above definition of training is based on assumption that all training is not necessary and all training is not beneficial. Training is a technique which properly focuses and direct towards the achievement of particular goals and objectives of the organization. Hence identification of training needs is first and probably the most important step towards the identification of training techniques. The process of identifying training needs is carefully thought out programme that needs to be carried out with sensitivity because success of a training programme may be crucial for the survival of the organization.

1.2 Concept of Evaluation

Evaluation of training is an attempt to obtain on the effects of training programme and assess the value of training in the light of the information. This includes the

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investigation before and after training. One cannot assess the effects unless one knows the before training situation for comparison with the after training situation. The outcome of training programme seeks to depict how training was effective. The question is to know if the results are in accord to the desired outcomes or not. It also considers whether training programme was conducted or implemented according to the plan. Evaluation helps the trainer to seek if any employee needs further training to perform his/her job Nickols, F.W. (2005)6.

Evaluation is the process of systematically collecting information and using the information to determine the effects and value of training programme. It is seeks to determine the degree to which the programme has done what it was supposed to do. Evaluation ensures that T&D programmes are accountable and are meeting the needs of employees and the organization in the most cost-effective manner Beardwell I and Holden, L, (1994)7.

Evaluation involves measurement in social as well as financial terms, which may be tangible for external training programmes. Evaluating training programmes is an attempt to match the actual details of programme with the “standard” that should happen. Evaluation is the process of systematically collecting information and using the information to determine the effects and value of training programme. It seeks to determine the degree to which the programme has done what it was supposed to do.

1.3 Models of Evaluation of Training and Development

This thesis standardizes the term as a model for the consistency and evaluation models included are classified into five types as follows:

1. Levels of evaluation include those models with causally linked categories.
2. Formative evaluation includes those models that assess a programme at the design stage or in implementation.
3. Models in relation to performance evaluation cover those incorporating organizational performance appraisal or evaluation.
4. Models of learning and evaluation focus on learning process and intervention.
5. Compressive and systematic evaluation models are characterized by evaluating training intervention in a broader way, which integrates with phases of training and include many factors relating to the individual and organization.

Table 1: List of Models for Evaluation of Training Relevant to this Study

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<th>Models</th>
<th>Levels of Evaluation</th>
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<td>Four levels of Evaluation</td>
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<td></td>
<td>Five levels of Evaluation</td>
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<td></td>
<td>CIRO(context, input reaction, output)</td>
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<td></td>
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<td>Sources</td>
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<td></td>
<td>Phillips 2003</td>
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<tr>
<td>Evaluation criteria/Method</td>
<td>1. Reaction</td>
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<td>2. Learning</td>
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<td></td>
<td>3. Behaviour</td>
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<td>4. Results</td>
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<tr>
<td></td>
<td>1. Reaction</td>
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<td></td>
<td>2. Learning</td>
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<td></td>
<td>3. Job Behaviour</td>
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<td>4. Organization</td>
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<td>5. Ultimate value</td>
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<tr>
<td></td>
<td>1. Context</td>
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<td>2. Input</td>
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<td>-Immediate outcome</td>
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<td>1. Reaction and Satisfaction</td>
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<td>2. Learning</td>
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<td>3. Application and implementation</td>
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<td>4. Business impact</td>
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<td>5. Return on Investment</td>
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<td>Models</td>
<td>Formative Evaluation</td>
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<td>Testing and Review of Products</td>
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<td>Three stage Evaluation</td>
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<td>Four Component Process</td>
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<td>Integrative Practice</td>
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<td>Geis, 1987</td>
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<td>Dick and Carey, 1996</td>
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<td>Weston, McAlpine and Bardonaro, 1995</td>
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<td>Brown and Gerhardt, 2000</td>
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<tr>
<td>Evaluation Criteria/Method</td>
<td></td>
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<tr>
<td>The development testing</td>
<td>1. One to one valuation -Involving individual participant for evaluating programme.</td>
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<td>-using learners as test subjects and experts to examine instructional materials.</td>
<td>2. Small group evaluation - Getting feedback from a group of participants.</td>
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<td></td>
<td>3. Field test - Real situation test of instruction programme.</td>
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<td></td>
<td>Clearly defined components, simplicity of conducting evaluation on instruction.</td>
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<tr>
<td></td>
<td>Concept: Training subject matter and preliminary objectives. Design: Specific</td>
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<td></td>
<td>instructional objectives and activities. Prototype: usability and learner satisfaction to training materials. Pilot: format and delivery</td>
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<tr>
<th>Models</th>
<th>Performance Related Evaluation</th>
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<td>Balanced Score card</td>
<td>The 360 -degree Feedback System</td>
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<tr>
<td>Concept mapping and pattern matching</td>
<td></td>
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<tr>
<td>Sources</td>
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<td>Kaplan and Norton, 1992</td>
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<td>Nowack, 1993</td>
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<td>Andersen Consulting</td>
<td>Education</td>
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<tr>
<td>Evaluation Criteria/Method</td>
<td>-Interpretation of an organization's strategy into specific measurable objectives across four perspectives.</td>
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<td></td>
<td>-Centralizing business strategy and vision</td>
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<td>-A process of information collection from wider sources.</td>
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<td></td>
<td>-Assessment about employees' KSAs</td>
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<td>-Identifying critical KSAs factors at different developmental stages</td>
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<td></td>
<td>-Establishing baseline for training evaluation</td>
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<td></td>
<td>-No possibility to isolate impact of training on business from other factors.</td>
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<td></td>
<td>-Adapting stakeholder's expectations to design and evaluate training.</td>
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<tr>
<td></td>
<td>Focus on bottom line requirements and results.</td>
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</table>
1.3.1 Levels of Evaluation

It’s argued by researchers and practitioners alike (Alliger and Janak, 1998)⁸ that the most influential contribution to evaluation theory and practice has come from Kirkpatrick’s series of publications in his late 50’s and 60’s in the journal of American society for training and development. His four levels of evaluation model has been the basis for various levels of evaluation models.

1.3.2 Classic Model: Kirkpatrick’s Four Levels model

Level 1.3.1: Reaction is a measure of how trainees think about the training programmes in terms of subject, content, instruction and time schedule. Reaction is normally measured by using questionnaires, which is also called a ‘happy sheet’.

Level 1.3.3: Learning is to assess whether the trainees have acquired knowledge, improved skills, or changed attitudes because of training intervention.

Level 1.3.4: Behaviour is the measurement of any behaviour change of the trainee on their job as a result of training programmes. Kirkpatrick suggested a scientific and systematic approach to measure on-the-job behaviour by collecting information on pre- and -post training performance appraisal of the participants from different sources.

Level 1.3.5: Results is a measure of the impact of a training programme on the organization due to change of participant’s on-the-job behaviour. However, Kirkpatrick does not offer a detailed description on how to conduct the measurements of results. He points out that it becomes more difficult, complicated and expensive to measure the ‘results’ of training even though the measurement at this level is more meaningful.

Kirkpatrick (1994) suggested that evaluation should be conducted from lower level to higher ones in sequence if it is financially feasible (see figure 1.1). However, as the measurement is moved from one level to the next, it takes more time, costs more money and becomes more complicated, but is assumed to provide more valuable information than the previous level.

**Figure 1:1 Kirkpatrick Four levels of Evaluation**

Source: Bailey 1999

Some authors describe Kirkpatrick’s four level of evaluation as being based on four simple questions.

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Kirkpatrick D (1994) Evaluating training Programs: the four levels edu), Berret-Koehler Publishers; San Francisco.
1. Reaction: were the participants pleased with the training programme?
2. Learning: what did the participants learn in the programme?
3. Behaviour: did the participants change their behaviour based on what was learned?
4. Results: did the change in behaviour positively affect the organization?

Kirkpatrick's classic model is mostly used by practitioners and organizations as a result of simplicity and ability to help trainers to think about the evaluation criteria of training programmes. It has led to a large amount of work in training evaluation.

1.4 Hamblin's Five Levels Model (1974)

Hamblin (1974) described his five levels model as a supplement to the other models rather than a replacement for them. This model keeps the level 1: reaction, level 2: learning, level 3: behaviour same as Kirkpatrick's, but refines the level 4: results into organization level and ultimate value level. Hamblin is one of the first to modify Kirkpatrick's framework. Hamblin suggests the hierarchical links among his five more explicitly. However the scholar suggested that "reaction" is not always constant, but changing dynamically in the process of training. Further, Hamblin divides the last level of Kirkpatrick's into two and makes a distinction between economic and non-economic values. The concept of organizational climate is introduced which is concerned with the employees perception of how their organization should work, and to which extent to which the employees feel satisfied with their organization. Moreover, Hamblin develops an "objective-oriented strategy" in relations to each level which suggests that training

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assessment could be done at any intermediate level to fit different objectives, not necessary at ultimate financial level.

1.5 CIRO MODEL (Warr, Bird and Rackham 1970)

Warr et al (1970) argues that evaluation of a training programme is not an action done at the end of the programme, but should be viewed in a wider context. In other words, evaluation is a systematic process, which is well-planned before a training programme takes place and is integrated throughout the programme. Warr et al’s model is one of the first to incorporate into the evaluation process in the way of context analysis.

1.5.1 Context evaluation: to collect contextual information about organizational operations and analyze business objectives in an attempt to identify the training needs.

1.5.2 Input evaluation: to collect information about possible resources such as budget, methods and delivery in order to make best choice on training procedures from the options.

1.5.3 Reaction evaluation: to gather trainees opinions about the training programme they have taken, which can be done in the way of end-of-course review, follow-up survey as well as informal conversation.

1.5.4 Outcome evaluation: to measure the outcomes of training programmes at the following three hierarchy levels;

1. Immediate outcome- changes of trainees in knowledge, skills and attitudes, which can be measured immediately after the training.

2. Intermediate outcomes- changes of trainees on -the-job behaviour or changes in the job performance, to which the attention should be paid to the layout of time and resources.

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3. Ultimate outcome- the impact of trainees departments or organizational due to the above mentioned changes, which reveals great difficulties to measure specific outcomes at ultimate level.

The complexity of the evaluation of management training is identified and emphasis is given on the immediate outcome level due to the intervening variable for the on the job behaviour change do not provide an effective method to measure the ultimate outcome – organizational level.

1.6 ROI Model (Phillips 2003)

According to Phillips\textsuperscript{12} the ROI evaluation is result-focused systematic process. There is a chain linkage of the above five levels, which echoes Kirkpatrick’s casual interlink of his four levels of evaluation. Phillips stresses that it is difficult to determine whether the final results are produced by the HR initiative if the measurements are taken at each level. ROI is an innovation in management and evaluation which provides bottom figures and accountability for all types of training, performance improvement, human resources and technology programmes. Phillips takes the lead in developing the ROI evaluation frame work to meet the three main driving forces practitioners and training managers, clients and senior managers and evaluation researchers.

This model tries to identify the effects of a training programme, isolate them from other factors and convert data to monetary terms. Since its development in 1970s the ROI method has been introduced into a wide range of business sectors. It’s arguable that the ROI model aims not only at calculating the ROI of tangible results but also at addressing

The intangible benefits, which could be applied to HR initiatives with intangible outcomes, such as leadership development programme. It might be the main reason to explain why Phillips claims ROI evaluation can be applied to different settings.

1.7 Formative Evaluation Approach

Recently there have been more arguments for using different methods (Holton and Alliger 1997) tradi
tionally formative evaluation models are instruction oriented. This model points out that, the researchers and practitioners have largely focused on evaluating training outcomes by using a summative approach, while formative evaluation is likely to be neglected. As per this study formative evaluation approach is a useful way to bridge the gap between evaluation and training design.

1.8 Geis Method Model

Geis (1987) describes formative evaluation as aiming at obtaining feedback to improve instruction materials during the development stage. It’s fulfilled by mean of a cycle of testing and revision on products to be delivered. Particular feature of Geis’s formative evaluation model, is the involvement of various stakeholders in training design and development. This helps to build commitment of managers, trainers and trainees towards programme implementation and reduce apprehension regarding evaluation. Geis model focuses on two methods, development testing and expert review which are presented below.

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1.8.1 The Development testing: uses learners as test subjects and critics, which involve
two strategies, the clinical method and the- teach and test- method. The trainees are
expected to mirror the target population for whom the materials are being designed. The
materials being evaluated is tested in either a one-to-one or small group setting.

1.8.2 Expert review uses experts for critically for examining instructional materials. The
expertise is divided into eight categories: subject matter experts, designers,
teachers/instructors, audience specialists, gatekeepers, sponsors, former trainees and
editors.

1.9 Dick and Carey Stage Model (1996)\(^{15}\)

In their systems Approach Model for instructional Design include three phases of
formative evaluation; one-to-one evaluation, small group evaluation and field tests.

1.9.1 One-to-one evaluation aims at eliminating errors in the instruction and determines
whether the training programme influences the participants in the intended pattern. The
criteria are the clarity, feasibility and impact on materials.

1.9.2 Small Group Evaluation verifies a step further the quality of instruction. More
participants are involved at this stage and feedback on instruction materials is collected.

1.9.3 Field test is to decide whether effective changes have taken place after the first two
stages.

The instructional materials, the number of learners and lecturers are setup as the
real situation. The responses from learners are lecturers are collected in order to make the
final revision. It should be noticed that Dick and Carey’s systematic instruction design

\(^{15}\text{Dick W and Carely (1996) the systematic design of instruction (4th edn), reading, MA HarperCollins}
college publishers.\)
model suggests needs assessment in identifying goal. For example conduct instructional analysis, analyze learners and contexts and write performance objectives are designed: (i) to determine what skills and knowledge are required for learners, (ii) to study learners characteristics such as learners present skills, attitudes as well as to analyze the context in which they will implement their learning and the context they will apply their learning, (iii) to define specific learning objectives and the criteria for successful performance after learning are defined prior to instruction. The information from formative evaluation allows the instructors to revise these important factors.

1.10 Four Component Model (Weston et al 1995)¹⁶

Weston and et al model is specialized for its simplicity of implementing and clearly defined four components. It’s also flexible of the scale of evaluation according to the purpose of evaluation. For example, smaller number of participants provides more detailed information, while larger number of participants provides less detailed, but more generalized information. The four components of this model are;

1.10.1 Participants are categorized into two types, ‘novice’ who have no previous training and experience in a specified domain and ‘experts’ who have specialized knowledge about different training subjects and instructional design.

1.10.2 Roles refer to tasks that Participants are given during the evaluation, the role of an evaluator, learner, critic and the role of a reviser.

1.10.3 Methods are the tools and techniques used in the formative evaluation.

1.10.4 Situation refers to the context defined by the participants when the evaluation occurs.

1.11 Integrative Model

Brown and Gerhardt's integrated formative evaluation demonstrates scientific benefits to evaluation of training. Brown and Gerhardt (2002) argues that summative methods are "useful for establishing and assessing metrics representing the effectiveness of training", while formative methods are useful for collecting quantitative and qualitative data would suggest why the level of effectiveness does or does not meet expectations and what can be done to improve it. This model suggests that the merge of these two methods, which provides both assessment and improvement of the effectiveness of training programmed. The model consists of four stages, concept, design, prototype and pilot.

1.11.1 Concept describes the training subject matter and provides preliminary objectives of training. The focus at this stage is to align training objectives with organizational business strategy and goals as well as trainees' work environment. A proper training needs analysis in the concept evaluation.

1.11.2 Design outlines the objectives, the subject matter, structure and methods of the training, which supplements more specific instructional objectives and activities to the concept stage. Two criteria are set up at this stage:

a) Task to object alignment, which ensures the effective performance by aligning the training objectives to the trained task;

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b) Objective to instruction alignment, which ensures the consistence between the instructional methods and the designed objectives.

1.11.3 Prototype includes some sections of training materials presented in the format to be used in the final programme. Usability and learner satisfaction are the two criteria at this stage. Usability simulates real instruction activity with designed prototype, trainer, sample trainees and critics. Learner satisfaction evaluates trainee’s satisfaction to the instruction, both on instruction materials and technology.

1.11.4 Pilot includes all subject matter using intended format and delivery. It consists of two criteria; feasibility and learner engagement. Feasibility assesses the suitability of the resources required for desired training outcomes. Learner engagement refers to trainees’ motivation to learn and their attention to the programme, which helps to identify the reason if desired levels of learning are not achieved.

1.12 Models in Relation to Performance Evaluation

Easterby Smith (1994)¹⁸ argue that evaluation of training consist of three main elements: people, systems and things. Evaluation of people and their performance usually takes the form of examination in the context of education establishments or of appraisals and performance reviews within the organizations.

Smith research only finds five cases of formal management training which used system or financial evaluation. It suggested that the reason is partially a lack of effective performance level evaluation methods. However, some efforts have been made to link

evaluation to performance improvement as well as to employ the methods of performance evaluation which are relevant to management training and development.

1.13 Balanced Scorecard (Kaplan and Norton)

Kaplan and Norton (1992) introduced the balanced scorecard in 1992, a set of measures linked to organizational performance, which is described as a check-and-balance system. It involves the interpretation of the organization's strategy into specific measurable objectives across four perspective: customers, internal business process, learning and growth and finance and aims at balancing business management.

In contrast to the traditional, financial based measurement systems, the balanced scorecard consolidates organizations focus on long term win by centralizing business strategy and vision. The other merit is that this approach is consistent with many new business initiatives such as cross-functional integration, globalization, customer-supplier partnership and continuous improvement. This approach provides a fresh thinking to assess the impact of management training on those organizations which are underpinned by diversity and paradigm change.

1.14 The 360 Degree Feedback System (Nowack, 1993)

The term “360 degree feedback” refers to the process of an employee doing a self-assessment, being rated by his/her supervisors, peers, subordinates and even customers. This model is more popular in America and widely applied in business and industries, which can be used in a wide range of HRD activities such as management development,

20Nowack K (1993) 360-degree feedback; the whole story, training and development, 47(1) 69-72.
training and organizational development evaluations, style and leadership awareness, and career development.

Nowack argues that the 360 degree assessment provides intensive information about employees' knowledge, skills and attitudes based on job-analysis, competencies, strategic planning, developmental theory and personality theory. Its application to management training and development is closely linked with training programmes and training needs analyses, which identify critical KSAs factor, and cited different developmental stages and thus establish as a baseline for evaluation of training and development.

1.15 Learning Oriented evaluation Model

Learning has been widely accepted as a key element to be measured in management training and development. Kolbs (1991) argue that the most fundamental task of evaluation of training and developmental is to determine whether the learning objective have been achieved in the training process. This highlights the central role of learning in evaluating training and development. Learning is influenced by individual ability and styles, which in turn impact on the organizational outcomes and beyond. Some latest studies on evaluation of training and development have paid more attention to learning effectiveness and the focus has shifted from instruction-led to learner –driven.

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1.16 Objective Oriented Model (McClelland)

The object oriented evaluation of training model developed by McClelland (1994) incorporate evaluations closely with training process of which include following elements:

1.16.1 Training needs analysis is to collect data related to skills or knowledge required to achieve better performance. It is suggested to assess skill or knowledge gaps in different categories like competence-based skills, soft skills like communications skills, knowledge on total quality management.

1.16.2 Short and long term objectives refers to the development of short and long term objectives based on training needs assessment. That argues that objectives should be realistic, attainable, measurable and observable and be written in action and results oriented format.

1.16.3 Pre course conditions are to define pre-course conditions and establish observable and measurable standards for the comparison and analysis of the pre-training and post-training conditions.

1.16.4 Immediate post course feedback refers to the assessment of short-term objectives immediately after training. The information collected is both qualitatively and quantitatively oriented and directly reflected back on the stated short-term-objectives.

1.16.5 Long-term feedback is to compare the long term objectives with pre-course standards and identify the discrepancies. It seeks to link the outcomes of the course to the observable results on the job.

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22McClelland S (1994) A model for designing Objective-oriented training evaluation, industrial and Commercial training, 26(1) 3-9
1.16.6 **Summary** implies to summarize whether the courses are successful or not. The result of evaluation is then to be recorded and filled in a composite format as reference for future programmes.
Figure 1:2 Objective Oriented Training Evaluation Procedural Model

- Assess training Needs
- Develop short and long term objectives
- Conduct observation to determine pre-course conditions and establish standards
- Present Course
- Conduct post-course evaluation

Methods, surveys, interviews, observations
Methods; surveys
Interviews, observations

Analysis: short term
1. Were needs correctly defined?
2. Were short term objectives realistic?
3. Was curriculum designed around needs for address short term objectives?
4. Which course presented in a manner which focuses on short term objectives?

Analysis: long term
1. Were short term objectives realistic?
2. Were long term objectives measurable?
3. Has behaviour changed and or skill/knowledge improved

Summarize, Record and file for future reference and analysis

Source: McClelland (1994)
1.17 Operational Definitions and Research Terms

Some operational definitions and research terms have been devised and used throughout the study and were defined for more accurate understanding and general acceptance. Some of the definitions and terms that have been used are as follows:

1.17.1 Training – It is an organized process of assisting people in enhancing their efficiency and effectiveness at work by improving and updating their knowledge, developing skills relevant to their work and cultivating appropriate behaviour and attitude towards work and people.

1.17.2 Training and Development – training is a short-term for job specific while development is long-term and oriented to generalized organizational requirement.

1.17.3 Management Development – it is the process of gradual, systematic improvement in the knowledge, skills, attitudes and performance of those individuals in the organization who carry management responsibilities.

1.17.4 Employees Development programmes – a programme planned with a view to undertake the process developing employees.

1.17.3 Management training – planned experience and training in the practice and techniques of management, often in the company or even on-the-job, can merge with management education.

1.17.4 Evaluation – the accepted meaning of it is to determine the value of training. In the present study it refers to evaluation of training unless referred otherwise.

1.17.5 Evaluation of Training – is the collection and analysis of the information on the basis of which the assessment of the value of training is made. In the present study it refers to evaluation of training and development.
1.17.6 Evaluation Methods- the ways and means of performing evaluation of training. This is synonymous with evaluation tools and techniques e.g. reaction sheet, knowledge test, attitude scale etc.

1.17.7 Evaluation Levels- in the context of the present study, it refers to the stages of evaluation of training and development depending on the time elapsed after training. The present study has adopted six levels of evaluation of training.

i) Reaction: Intermediate outcome of training and a short term subjective assessment of trainees or employees reaction to training and development programmes.

ii) Knowledge: Knowledge change identified immediately after training.

iii) Attitudes: Attitudinal change identified immediately after training.

iv) Behaviour: Behavioural change identified in the intermediate period on the job.

v) Functioning: Effect of behaviour on the productivity or efficiency of trainers' department measured in the long term.

vi) Ultimate: The end result measured in the long run in terms of some criterion, say, cost benefit analysis.

The research terms are specifically devised for the study:

1.18 Organizational characteristics: Five characteristics used to describe the training and analyze data with regard to the same are in terms of age total number of training courses or programmes held, including repeats, in a year total number of trainees who have attended such programmes; total number of full-time staff members or trainers and total number of part-time trainers who have been invited from outside organization.

1.18.1 Research Study Groups: The three groups' viz. training departments or units of public sector banks training departments and units of private sector banks training
institutions for the purpose of comparative analysis in the present research study. The
groups in this study indicate the trainers associated with them unless mentioned otherwise,
the individual groups have been defined as follows:

A: **Public Sector:** The training departments or units associated with public sector
banks engaged in management development activities e.g. training department

B: **Private Sector:** The training departments or units associated with training of
employees in the private sector banks.

1.19 **Employee’s Performance:** It’s a strategic investment, by banks in the training of its
employees. Employees’ motivation is a joint, on-going effort on the part of an employee
and the organization for which he/she works to upgrade employee’s knowledge, skills and
abilities. Employee’s motivation requires a balance between an individual’s case needs and
organizational goals. Training employees to help them determine what they need for
motivate them to perform well in training and development programmes.

1.19.1 **Training and development programmes:** Training refers to the methods used to
give new or present employees the skills they need to perform their jobs. Training is used
mostly on teaching technical skills. Development is an attempt to improve employee’s
performance by imparting knowledge, changing attitudes or increasing skills. The ultimate
aim is of course, to enhance the future performance of organization itself. Employees are
the assets of the organization and every organization makes progress and achieves its goal
effectively due to the motivation and dedication of its employees, is possible through
providing them a specific training so that they can be refreshed from time to time.
1.19 **Evaluation Levels**: in the context of the present study, it refers to the stages of evaluation of training and development depending on the time elapsed after training. The present study has adopted six levels of evaluation of training.

i) **Reaction**: Intermediate outcome of training and a short term subjective assessment of trainees or employees reaction to training and development programmes.

ii) **Knowledge**: Knowledge change identified immediately after training.

iii) **Attitudes**: Attitudinal change identified immediately after training.

iv) **Behaviour**: Behavioural change identified in the intermediate period on the job.

v) **Functioning**: Effect of behaviour on the productivity or efficiency of trainers' department measured in the long term.

vi) **Ultimate**: The end result measured in the long run in terms of some criterion, say, cost benefit analysis.

**1.20 Review of Related Literature**

This part devotes itself to the survey of literature relevant to the subject of evaluation of training and development. The survey of related literature becomes essential to understand the previous research work carried out by various researchers in the field of training and development in general and in particular to banks and their findings mainly for the point of establishing the research gap in order to continue further research in the field. An insight into available literature in the field throws light on improving training policies and practices of the banks selected for the study. Several research studies on training and development have been carried out at the national and international level.
The first section of this literature survey has been devoted to training and development, while the second section is entirely on literatures that are dealing with evaluation of training.

K. Aswathappa (2008)\textsuperscript{23} opines that training and development may be understood as imparting of specific skills, abilities and knowledge to an employee. More clearly, training and development may be understood as an attempt to improve the current or future employee’s ability to performance through learning, usually by changing the employees’ attitude or increasing his or her skills and knowledge. Thus it is clear that training is an act of increasing knowledge, skills, attitudes of an employees and improving the overall performance of the organization.

Cascio F Wayne (1998)\textsuperscript{24} in his study on “examining the impact of training on business results through post training(ROI)” expressed that training expenses represent a substantial investment in training resources. The primary objective of the study was to determine if there were positive financial impacts of leadership training on business and present verifiable and valid, substantial ROI with meaningfulness. The training was found to be both successful and effective in the teaching and developing strategic leadership concepts.

Pareek Udai, and Rao T V, (2006)\textsuperscript{25} in their article “managing innovations” expressed that, training involves the use of formal processes to impart knowledge and help people to


overcome traditional thinking and develop the ability of creative problem solving. People should be trained to look from a new perspective and be able to see opportunities outside. The training techniques used for improving innovations should be appropriate to job requirements, learning needs, previous experiences, and level of knowledge and skill of participants. Usually the techniques for enhancing creativity are brainstorming and systematic collection of fresh ideas. Programs of this nature can be applied to actual problems and the same time they provide ample opportunity for individuals to improve creativity thinking. Organizations that want to be innovative must hire creative people and also train their HR people to access the creative potential of the candidates based on a set of criteria, after knowing the traits usually possessed by such people. Access to changing technology it's critical that executives realize the importance of training end users as their skills become obsolete.

Reddy and Rathin B (2007) argues that the quality of an employee and their development to training and education are major factors in determining long term profitability of a small and big business. If you hire and keep good employee, it is wise to invest in developing their skills, to increase their productivity. Training is often considered for new employees only, which is a mistake, because ongoing training for senior employees helps them to update themselves of rapidly changing job requirements. The study concluded that the overall training program was good and should be applicable to other Saudi companies. All trainees believe the training programme provides a good opportunity to guide them to be knowledgeable and educative.

Blake, R. R. (2006) has undertaken study on “vertical transfers of training” expressed that the transfer training has focused primarily on individual as the unit of analysis. The question of whether training an individual influences a group’s performance has yet to be investigated empirically. The findings of the study were that as the number of trained employees increased beyond three the amount of influence exerted the fifth individual decreased. Extraversion moderated the relation between training an individual who was an extrovert, vertical transfer increased. Collective efficacy mediated the relationship between training one or more individuals and groups performance.

Aldrich, C. (2003) in his study on “leadership training, leadership style and organization effectiveness” believes that development is believed to occur primarily through training to improve individual’s skills and abilities. Corporate educators need to recognize this interaction and begin to focus on holistic training and development models that address the interpersonal and social leadership behavior required for future success. The purpose of the study was to explore the relationship between a relatively new kind of leadership training based on health realization of mind understanding and organizational performance. The analysis of the result showed that the behavior of the leaders did indeed change, but the leaders attributed those positive changes to a combination of the leadership training, the influence of transformational leaders and shift in cultural norms, that improved the work environment.


Miller, V. A. (1996) in his study on "effects of visual training and visual aid on the performance of new workers on a wood products assembly line" on the-job training (OJT) can be among the most effective ways of training workers because its direct focus on tackling workplace challenges. The purpose of the study was to determine the effects of two visual methods; a pre work video training session and a large graphic sign illustrating assembly procedures. The overall result of this study indicated that visual supplements to OJT vary in their effectiveness.

M.J Cross (2000) discusses the importance of training and education for TQM. The best way to institute quality into an organization, particularly a bank is to train employees to do their jobs better. The training structure must be top-down, starting with top team and ending with lower level of the organization. This is necessary to show management commitment and ensure managers actively understand the TQM principles and methods. Results of the research project indicated that none of the respondents’ organization possesses a well-developed TQM strategy and plan.

Dayal (1990) in his study “management training in organization” stated that the effectiveness of training depends upon its serving a need shared by a large number of managers in the enterprise, on the way it is imparted, and on a variety of administrative practices within the organization. Unless the training is need-based, it would not serve any useful purpose; and this is very fundamental. The trainee’s learning from a formal

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classroom situation depends on (i) his/her receptivity, (ii) the effectiveness of the trainer’s communication with him/her and (iii) the environment in which the training is administered. Now, the trainer’s communication may be highly satisfactory, but still the learning would be ineffective if the trainee is not receptive to the inputs. The trainee is rather unsure about whether the effects of training can be measured in concrete terms. The reason obviously lies in the qualitative nature of both the activity and its results.

A study by some scholars of South East Asian countries, particularly Indonesia, Malaysia and Singapore.

Debrah (2002)\(^{32}\) claimed that some firms are not providing the training that their employees need, but instead poach employees from other firms, who have already been trained and developed by their prior employers. However, it may seem that poaching is benefiting employers in terms of financial investment in training, but the extent of employees’ adaptability to the new working environment and their ability to transfer previous experience and learning to their new jobs are unclear.

Bhatta, (2003)\(^{33}\) Opined that identifying and selecting the right people for recruitment and retaining those that have been trained in the areas of concern for HRD practice. Following this lead, smaller firms with few employees who are operating largely on equipment and new technologies may be strongly affected. This is because identifying and selecting the right employees to be recruited, trained and developed is very important, and is particularly critical in smaller firms, as it directly relates to performance. Hence, given these issues in

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HRD practice, employers may have to examine their hiring and promotional criteria to ensure that the right human resources are selected for the appropriate job.

Berker (1980) pointed out that training and development have been recognized as a tool for the successful performance of workers in organizations. The organizations which spend significantly on training and development which leads to employees developed.

Jinyu and Guocun (2001) retorted that the management association indicate that there is restrained spending on training and development in public owned enterprises mainly due to the lack of capabilities of individual entrepreneurs; while there is a good deal of investment in human capital at private enterprises. They indicated that there is low practice of training and development and consequently low labour productivity and industrial inefficiency. The study concluded that china as per the investment on training and development is very less as compared to developed countries due to lack of adequate policies on HRD.

Carnevale (1990) opines that companies in the United States spend more money annually on training than do all the public school systems in the country. No better commentary on the importance of organizational training exists than this $210 billion investment by American employers in informal and formal training. However, this investment is not enough; estimates are that the skills of 25 million workers must be upgraded by 40 percent for a modest economic growth of only 3 percent.

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there are three prominent issues in today’s small business training environment. The first issue is to questions where small business will find qualified employees in an economy where capable labour is going to be a relatively scarce. The second issue concerns how small businesses are going to use training to raise their productivity in order to compete in the marketplace. The final issue is to focus on the expansion of the service sector, and its impact on training.

USA Today (1989)\textsuperscript{38} a study conducted by the American Society for Training and Development addresses the first issue. The study shows that most American workers are not getting the training they need to keep their companies competitive. With such a lack of training, it is expected that, there are likely to be too few well-educated and well-trained workers to satisfy the nation’s economic needs. The age group of 16 to 24 year olds is diminishing in size, and a significant portion of the remaining group is poorly educated. As a result, small businesses will have to look for less-qualified employees to fill new positions.

O’Connor (1996)\textsuperscript{39} opines that small businesses are going to raise productivity that can be possible through effective training practices in the organizations. Training ensures that the right people learn the right things at the right time and in the right priority order. As a result, training is one of the primary ways to bring less-qualified employees up to acceptable standards of performance, and to increase their productivity.

\textsuperscript{37}American Society for Training and Development (1992) Training America: Learning to Work for the 21\textsuperscript{st} Century, special report.


\textsuperscript{39}O’Connor, B.N., M. Bronner, and C. Delaney (1996).Training for Organizations Ohio: South-Western Educational Publishing.
Senge (1994)\textsuperscript{40} Small businesses need to train employees in order to increase the productivity and to gain a competitive advantage, but smaller firms are generally the ones that can least afford training. Many companies just cannot justify the cost of creating a one person training department or hiring consultants on a regular basis. When training is afforded, though, it can take place on-the-job or off-site, depending on the small business' training needs.

Ullhas Pagey (1991)\textsuperscript{41} argues that most of the organizations allocate very little amount in the budget for the training. The reason is that the return on training investment is very little. So, many organizations invest less on training. Many companies just cannot justify the cost of creating a one person training department or hiring consultants on a regular basis. When training is afforded, though, it can take place on-the-job or off-site, depending on the small business' training needs.

(Kazanas and Rothwell, 1990)\textsuperscript{42} On-the-job training often involves learning through observation and imitation of others, feedback about how work is done, and through procedure manuals. Employees learn from experienced co-workers or supervisors while they are on the job. Other options available for in-house training include packaged programmes, seminars, videos, and conferences.

Jane Richards (1997)\textsuperscript{43}, Management training-the real objectives views that while embarking upon a management programme, the real objective must be to focus on the

\textsuperscript{40}Senge, P. (1994) the Fifth Discipline New York: Training and Development April, Vol. 50 Issue 4, p. 9.
\textsuperscript{43}Jane Richards (1997), Management Training the Real Objectives of Training Officer, September, Vol.33, No.7, pp. 216 217.
individual manager, not the position in the company. The author's discussion on training needs analysis i.e., about core competencies, job profiling and identification of competencies gaps—either against core competencies for individuals or against job profiles for generic roles is worth mentioning.

Niki Glaveli and Stella Kufidu (2005)\(^{44}\), in their paper analyzed the changes that took place in the Greek banking industry in the last years, their impact on the role of employees training and development for strategy implementation and success, using four case studies to investigate the effect of the environmental changes on these particular banks and the role of their training and development strategies have to be adjusted to the changing industry environment.

Riyaz Rainaye (2004)\(^{45}\), in his study empirically examined the training policy in two commercial banks, namely, State Bank of India and Jammu & Kashmir Bank Limited. The focus was on the various facets of training including Management’s attitude towards training, training inputs, quality of training programmes and transfer of training to the job. Whereas it records that the training scenario is to a large extent satisfactory. The study evaluated the opinions of the employees of two cadres of both banks: in particular that it can be made fully effective only when the training needs assessment and transfer of training to the job are considerably improved.

\(^{44}\)Niki Glaveli; Stella Kufidu (2005) the old, the young and the restless: A comparative analysis of the impact of environmental change on training in four Greek banks. European Business Review, Vol.17 (5) 441

Shishupal Singh and Karunesh Saxena (1999) Role of training in developing human resources is another work of relevance. In this, the authors concluded that an organization should have well-defined training policy as well as training manual and training should be made an on-going process. Regarding the executive development programmes the authors have concluded that, these programmes have been found to be useful in improving the productivity, efficiency and effectiveness of managers. The authors have suggested that these programmes should be included as an integral part of the training programme.

Aragon and Sanchez et al. (2003) presented an empirical evidence of a positive relationship between employees training by firms and performance of those firms. The study is also interesting because of its methodology. The authors used data obtained from a questionnaire sent to 6000 small and medium enterprises (SME) in some countries of the EU. They included both training and result variables which are described in the paper. The former set of variables includes training methods, training characteristics, training activities and other variables. Although the authors faced a very low response rate (less than 9%), they still collected about 500 valid questionnaires for the dataset. Therefore, introduce a firm’s performance as a factor influencing training decisions expecting positive effect in accordance with both presented evidence and common sense. Along with empirical studies, several theoretical models have been proposed to explain the basic relationship among the categories of interest.

Presenting a theory of training Acemoglu and Pischke (1997) argue that a firm's interest in personnel training is driven by the possibility to extract a part of an increased marginal product of trained workers. Distinguishing between general and firm-specific training the authors show that firms should pay not only for the latter but also for the former form of training. As the study suggests, "in order to explain firms' investments in general skills, some labour market imperfections must exist so that the mobility of workers is restricted and that employers can earn rents on trained workers". Finally, it is natural to suggest that labour market conditions in general should influence enterprise training arrangements.

Asblomstrom and Kokko (2003) summarize, the amount of training provided to MNCs' employees "vary depending on industry, mode of entry, size and time horizon of investment, type of operations, and local conditions. A possible reason is that training implies economies of scales; and early empirical studies had found relatively little training in small firms with less than 50 employee's notices, "large employers actually take a different approach to small employers with regard to the riskiness of investing in their employees," so that large firms tend to provide more training.

Smith and Hayton (1999) developed, probably, the best grounding for their survey concerning enterprise training in Australia. Based on case-studies of forty-two individual enterprises in five industry sectors and covering local, national, and multinational firms the

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authors defined a set of factors that were perceived as important for firms when making decisions on personnel training. Based on these preliminary results they constructed a survey of Australian enterprises covering all industries in the private sector. They found, for instance, that the size of the organization and industry sector have a strong positive relationship with training, investments in new products or technology influences training positively but to a smaller extent while enterprise ownership (Australian versus multinational enterprise) turns out to have no significant effect. The study further found out that effect of training effects of foreign ownership on the probability of training, thus analyzing the possibility of human capital spill over as a result of economic globalization process.

Srimannarayana (2006)\textsuperscript{5} in his study in banking sector attributes that trainings has been conducted for quite long and in a professional manner. In many cases, it has given rich benefits to the bank and its employees. Information on the learning and development programme of ICICI Bank Ltd and the impact it had on performance of bank and its employees. With master trainers within the organization and a host of similar factors, it has become a truly global player. Based on a sample of bank employees, he highlights the importance of training further. The study suggested the future areas of the training activities in banks according to trainers. It seems important to study the perceptions of bank employees regarding these training programmes. Another aspect is employees learn on the job, they learn not through formal training programmes but through informal means, including performing their jobs on a daily basis in collaboration with their colleagues.

1.20.1 Evaluation of Training and Development

Combs & Falletta (2000) argue that evaluating training gains or influences on organizational effectiveness and performance is a very hard task for at least the following reasons. There are many other factors which can have an influence, positively or negatively, on the organization's performance. Such as market forces, competitive activity, new technology, legislation, and the economy as well as luck, industry, power and size.

In this regard, Hale R (2003) included two practical examples that demonstrate an insufficient evaluation process. A recent survey undertaken in the USA it revealed that 57 per cent of the surveyed American organizations consider evaluation as important, but only 27 per cent use an action plan after training; just 16 per cent use 'follow up' from T&D and only seven percent of the surveyed organizations evaluated the ROI in training. These findings imply that the T&D evaluation stage was not used in many organizations or in fact, after engaging the rigors of a T&D initiative the investment is not wisely used.

The impact of training may take a considerable time to show up in overall results Redshaw (2000). Training results and outcomes are usually complex and difficult to be measured or quantified, such as employee satisfaction, commitment, motivation, and changes of behaviour and attitudes. Is a plethora of outcomes can cause confusion between accountants and line managers who view training evaluation differently from the way trainers view the process? For instance, outputs can be compared with inputs, while the

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fact is that the relationship between training intervention and organizational performance cannot be easily identified.

A study done by (Yeo 2003)\textsuperscript{55} it has pointed out that it is difficult to measure the relationships between training and organizational performance. A primary acknowledged difficulty is the cause and effect relationships are not necessarily straightforward and hardly ever clearly defined. For instance, learning occurs in all organizational levels thus, there are many intervening variables. And there are other organizational factors which may influence the organizational outcomes, such as leadership, workplace arrangements, and organization structure.

To overcome most of the evaluation difficulties, Redshaw (2000)\textsuperscript{56} suggested that there are two important dimensions to be taken into account. First, line managers should be involved. Indeed, effective T&D programmes require top and line management support, commitment and leadership. Thus, line managers should participate in determining the training objectives and evaluation criteria. And it’s more likely to occur when trainers are consulting with line managers, who may ask them questions such as, what they want to improve, how they will recognize success and how they will measure this success. During this process all the other factors that influence the organization’s performance would be identified for agreement. Second, because it is hard to connect training interventions to the organization’s performance measurements directly, these measurements need to be revised and corrected to connect training with organizational performance.

Atiyyah (1993) argues that evaluation methods in Arab organizations are highly subjective and their results have limited impacts on improving the ongoing programmes or even designing new programmes. The study argues that the programmes were usually evaluated at the reaction level via questionnaires distributed to the trainees to give their opinions on the quality of instruction, programmes materials, and suitability of the training techniques.

Al-Athari and Zairi (2002) conducted an empirical study in Kuwait, organizations; they found that a minority of managers believed that evaluation is an important task. Moreover, a majority of organizations occasionally evaluate their training programmes through questionnaires, observation and performance records.

And regarding the evaluation models, these researchers observed that most of the surveyed organizations rely on level one (trainee's reaction) of the Kirkpatrick's (1996) evaluation model when evaluating their T&D programmes. They further reported that evaluation is not considered to be the most important stage in the training cycle for most Kuwaiti organizations, which rely on evaluating the level of trainees' reaction towards the programme. Furthermore, Abdalla and Al-Homoud (1995) argue that there are no specific 'follow up' procedures for evaluating the effectiveness of T&D programmes. In most Arab organizations the effectiveness of training programmes is evaluated based on the reaction level, instead of focusing on the results level and on the transferred knowledge.

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to the workplace. They have contended that there are no specific 'follow up' procedures for evaluating the effectiveness of T&D programmes. As in most Arab organizations the effectiveness of training programmes are evaluated based on the reaction level, instead of focusing on the results of training and the transferred knowledge to the workplace. Which are considered, according to Kirkpatrick, as the best evaluation systems, and focus on the effects of the application of information and learned concepts on the organization performance? The most common evaluation challenges in Arab organizations are the cost of conducting this process, Difficulty in finding evaluation methods, difficulty in finding evaluation quantitative financially criteria or language, time required accomplishing this process and lack of information needed for evaluation.

Foxon M (1966)\(^6\) retorts that as organizations are spending more and more on evaluating training, the effectiveness of training has become critical. The study suggests that one of the main tasks of the trainer is to test for training effectiveness and to confirm that the selected training methods have achieved the desired results. It could be argued that evaluating training effectiveness is the starting point. Training is a tool used to change people's behaviour, while evaluating training effectiveness is centered on measuring that change. Training evaluation helps to collect all the descriptive and judgmental information required to make effective training decisions.

Burrow and Berardinelli (2003)\(^6\) suggested that the evaluation stage should be viewed as part of an effective training process and a base to improve organizational decision making about human performance improvement. The evaluation activity identifies where a


T&D department could demonstrate that it adds valuable service or adds value to the organization's performance. From training evaluation an organization can make a judgment of what employees gain from training and what is transferred and implemented to their work.

Bee and Bee (1994) stated that it is necessary to evaluate T&D programmes, since the evaluation process improves the efficiency and effectiveness of training programmes. The results display the organization's impression about trainers' performance in the programme and help them to improve their training skills as well as justifying the expenditure on the programmes. Therefore, it could be said, that as long as an organization pays attention and emphasizes training evaluation to identify training contributions, training is viewed by this organization as an important organizational function that improves or helps to improve the organizational performance. Evaluation becomes more important when one considers that American industries, for example, annually spend $110 billion on training and development, not more than 10 per cent of these expenditures actually result in transfer to the job.

Adrian Thornhill (1994) in his study “the evaluation of ‘training”, recognizes the various difficulties of evaluating training and suggests what is required to make it more effective. The study also discussed the reasons for the absence of, or ineffective practice of evaluation and identified evaluation in the context of the nature and meaning of organizational culture from a practical point of view.

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B.R.Viramani (1994)\textsuperscript{64} in his article "evaluating and measuring management training \\
& development", has pointed out that the importance of evaluation has been increasingly felt \\
in the field of management education and development. In spite of the felt need for it, there \\
has been very little systematic evaluation of management training and development \\
programmes. This study emphasized the qualitative and quantitative approach to \\
evaluation of learning in terms of knowledge, skills and attitudes and its subsequent \\
transfer to the job with a view to identifying factors that seem to influence Learning and \\
indicate certain pre-conditions essential for training and development process.

Warr, Peter; Allan, Catriona (1999)\textsuperscript{65} in their research "predicting three levels of training outcome", conducted as a longitudinal study of three levels of training evaluation, differentiated measures of trainees' reactions shown to be more closely associated with learning outcomes than what has been found with conventional reaction measures. However, reactions were generally unrelated to subsequent job behaviour. Both immediate and delayed learning were predicted by trainees' motivation, confidence and use of certain learning strategies. The changes in job behaviour were independently predicted by transfer climate and learning confidence. It is preferable to measure training outcomes in terms of change from pre-test to post-test, rather than merely through attainment (post-test only) scores. The predictors of training outcomes were shown to differ according to which indicator is used. External factors better predicted learning changes when their correlations with pre-test values differed substantially from their correlations with post-test scores.

Hashim, Junaidah (2001) in his paper "training evaluation: client’s role", addresses the issues of training evaluation practices in general, and examines the training evaluation in Malaysia through a case study. Training evaluation is a systematic process of collecting and analyzing information for and about a training programme, which can be used for planning and guiding decision making as well as assessing the relevance, effectiveness and the impact of various training components.

Training institutions may conduct evaluation for the purpose of maintaining training. Evaluation practice is one of the major dilemmas faced in the field of evaluation because it receives much criticism. In many organizations, evaluation of training is either ignored or approached in an unconvincing or unprofessional manner. The article concludes that the government, client and economic situations have influenced the evaluation practice in a positive direction.

M.A. Ogunu (2002) in his study “Evaluation of Management Training and Development Programme of Guinness Nigeria PLC”, has tried to evaluate the management-training programme of Guinness Nigeria PLC, with a view to determining its effectiveness. To achieve this, a questionnaire titled ‘management training and development’ was administered to the management staff of the company. Analysis of the data obtained from the field by means of the research instrument showed that the management training programme provided by the company was perceived by the management staff as relevant, adequate and effective in terms of their job performance.


in his article “training evaluation: knowing more
than is practiced”, examines the training programmes evaluation which is divided into two
categories - the formative and the summative evaluation. Formative evaluation is intended
to provide information for the improvement of programme design and development while
summative evaluation is cantered on training outcomes to identify training benefits in the
form of learning and enhance on-the-job performance.

1.21 Statement of the Research Problems

Training and Development is the most important element of human resources
development. It’s concerned with increasing, improving knowledge of employees’
efficiency, enhancing and modifying employee’s ability, managers' skills, capabilities and
knowledge to enable them to discharge their obligations effectively. Many studies have
pointed out that only through trained and efficient employees; banks can achieve its
objectives. Training is important in imparting the new entrants the basic knowledge and
skills they need for an intelligent performance of definite tasks, to prepare employees for
more responsible positions, to bring about changes in attitudes of employees in all
directions, to reduce supervision time, reduce wastage and produce quality products, to
reduce defects and minimize accident rate, to absorb new skills and technology and to help
in the growth and improvement of employee's skills and knowledge. There is no doubt that
training is an important in all aspects of human resources management. Training builds
effective teams by expanding their knowledge in their jobs. After successful training
trainees exhibit new it leads to contributing to the firm progress. In addition to these,

through training the banks benefit in building better communications skills, exploring the
hidden talent of a trainees, building better quality in work, outcomes are more effective and
productive, increases the level of understanding in the organization and helps employees to
make appreciate professional role.

However with the huge investment in developing training strategies and
programmes in banks, the question is no longer whether banks should train or not, but
rather it is about whether or not training is worthwhile and effective. Although T&D plays
a critical role in organizational performance, it is viewed differently in the organizations. It
may be considered as an unnecessary, underused and unrecognized function. Some banks
find that T&D does not contribute to employees' commitment, and sometimes it is
considered as a waste of money and time. Unfortunately, in many other banks the
management does not believe in T&D as a function to contribute in improving the overall
organizational performance. They believe that T&D does not work since it is too difficult
to prove its effectiveness in terms of Return on Investment. T&D is still not considered as
an important organizational function, which contributes to the organization’s success.
Instead, it is viewed as a vacation activity or leisure time pursuit, which is given to some
people. Moreover, there is no proper evaluation of training, because training is being seen
as an overhead and not an investment to be evaluated. Evaluation of T&D is not conducted
in a professional manner. In this regard it’s argued that many banks practices, in terms of
their T&D are deficient because of the lack of systematic planning, implementation and the
evaluation phases. Moreover, evaluation methods in banks are highly subjective and their
results have limited impact on improving the on-going programmes or even the designing
of new programmes. T&D programmes are usually evaluated at the reaction level via
questionnaires distributed to the trainees to give their opinions on the quality of instruction, programmes materials, and suitability of the training techniques.

Evaluation of T&D process faces many challenges in respect to proving T&D effectiveness in achieving organizational performance criteria, such as profit, quality, customer satisfaction, ROI and market share, etc. There are many factors that underpin the reluctance to engage evaluation initiatives. The most common evaluation challenges in banks are the cost of conducting this process, difficulty in finding evaluation methods, difficulty in finding evaluation quantitative financially criteria, time required to accomplish this process and the lack of information needed for evaluation by considering the above facts the present study assumes a great importance to carry out a study on “Evaluation of Training and Development Policies and Practices in Banking sector: A comparative study of some selected Public and Private Banks in Karnataka”.

1.22 Objectives of the Study

1. To study the role of T&D in empowering employees for the success of the banking industry.

2. To examine the policies of the banking industry in relation to training and development.

3. To study the training practices prevailing in some selected public and private banks.

4. To examine the various methods of T&D used by public and private banks in empowering and enlightening its manpower.
5. To analyse the benefits of training for both the employers and employees of the banking industry.

6. To examine the extent of use of various methods of evaluation of training in the banking industry.

7. To study the opinions of both public and private banks employees towards practices of T&D.

8. To analyse the levels at which management evaluate employees' training in the banking industry.

9. To offer suggestions on ways of improving evaluation of training and development in the banking industry.

1.23 Hypotheses for the Research Study

The following hypotheses have been formulated in order to investigate research problem effectively.

**H₀₁:** There is no relationship between the training provided and the benefits received by employees in the banking industry.

**Hₐ₁:** There is a relationship between the training provided and the benefits received by employees in the banking industry.

**H₀₂:** There is no difference between training methods received by the trainees in the public and private banks.

**Hₐ₂:** There is a difference between training methods received by the trainees in the public and private banks.
**H0₃**: The training materials provided by training institutes in the public and private banks are not useful.

**Ha₃**: The training materials provided by training institutes in the public and private banks are useful.

**H0₄**: There is no importance of special training for managers in public and private banks for improving their performance.

**Ha₄**: There is importance of special training for managers in public and private banks for improving their performance.

**H0₅**: There is no difference on the effectiveness of training methods employed in the public and private banks.

**Ha₅**: There is a difference on the effectiveness of training methods employed in the public and private banks.

**H0₆**: Employees do not benefit from the training they receive in the public and private banks.

**Ha₆**: Employees do have benefited from the training they receive in the public and private banks.

**H0₇**: There is no difference of employee's performance after training.

**Ha₇**: There is a difference of employee's performance after training.

**1.24 Research Design**

The research design for the present research study is an exploratory one.
1.24.1 Sampling Technique

The sampling procedure followed in the present research study is that of simple random sampling and the sample respondents includes management and employees of selected banks in Karnataka.

1.24.2 Population

The population of the present study is defined as all the banking organizations i.e. both the public and private sectors banks operating in Karnataka. Therefore the targeted banks reflect the whole population rather than a sample of the population. The main reason for choosing the entire population is to ensure that the sample is a representative and not biased. In total 30 banks were taken as the population of the study. Out of those 18 public banks and 12 private banks were selected. 540 employees were selected from the 18 public banks and 440 employees were selected from the private sector banks. 15 managers were selected from public and 15 from private banks respectively. The rationality behind targeting these organizations as a subject of study refers to the important role they play in enhancing Indian economic performance.

1.24.3 Sources of Data

The study used both primary and secondary data.

1.24.4 Sources and Collection of Data

The required and relevant data are collected from both primary and secondary data. Primary data collected from two groups of sample respondents viz, public and private banks. Primary data was collected from the sample respondents of both public and private banks in Karnataka by adopting simple random sampling through a well-structured
questionnaire. The study selected banks like: Canara Bank, Corporation Bank, State bank of India, Indian bank, Allahabad bank, Syndicate bank, Punjab National bank, State bank of Hyderabad, Dena bank, Central bank of India, Union bank of India, Uco bank, IDBI bank, State bank of India, Indian Overseas bank, Vijaya bank, Bank of Baroda and State bank of Indore this were in the public sector. In the private sector the banks selected were, HDFC bank, ICICI bank, Vikas Grameen bank, Dhanalaxmi bank, Catholic Syrian bank, Ratnakar bank, Karnataka bank, Federal bank, Karur Visya bank, IndsInd bank, UTI bank and South Indian bank. Primary data was collected from the sample employees of individual banks by using a questionnaire-based survey method.

The questionnaire was used to obtain the details about awareness and perception of employees towards evaluation of training and development. The questionnaire contained 60 questions covering their demographics, training methods, challenges of training, benefits of training, promotions due to training, evaluation of training, who conducts evaluation, perception about evaluation of training, level of evaluation of training etc.

1.24.5 Interview Schedule

The rationale for using semi structured interviews in this study was very successful, since majority of the managers preferred to talk rather than to complete the questionnaire. Thus, it was decided that managers would be interviewed rather than asked to complete the questionnaire which they may be reluctant to spend time for providing written explanatory answers. In addition, from the outset the researcher was convinced of the value of using face to face interviews, because of their merits in exploring a wide range of issues relating to research questions. In addition they complement the questionnaires and can explore or
explain, in-depth, any further details, information, themes and facts under investigation behind the questionnaires responses.

1.24.6 Sample Size

Using simple random sampling, the managers and employees were selected from different banks in Karnataka. The respondents comprised 1000 employees and 30 managers from 18 public banks and 12 private banks. A total of 560 employees in the public and 440 employees in the private sector banks filled the questionnaire correctly. Employees were approached personally with a questionnaire at different banks in Karnataka. Some questionnaires were left to them to fill and sent after completion. Out of 1260 questionnaires distributed to various employees of various banks 1010 were received, only 1000 were complete in all respects and the remaining 260 were incomplete and therefore were rejected. The survey was conducted during December 2009 to September 2010.

1.24.7 Secondary Data

The secondary data has been collected from a number of sources like books, journals, bank annual reports, bulletins, published articles, newspapers and dissertations. In addition to this the study also made use of online journals and websites.

1.24.8 Statistical Tools used for Data Analysis

The data collected from different sources was cross checked and coded in the code sheet. Later the coded data was entered into master code sheet after cross checking if any entry was missing. To analyse the data from different sources and to interpret the analysis
simple percentage, means, f-test, chi-square, t-test. Pie charts and bar graphs are also used to exhibit the data in a systematic manner for interpreting data and for drawing inference.

1.24.9 Procedure for Data Collection

A questionnaire was used as the survey instrument for data collection. The data collection work was done from September 2009 to August 2010. An envelope containing the covering letter and it was given to individual respondents, who could not fill it in my presence. A total of 1220 questionnaires were returned which was about 86 per cent response rate and 15 interviews were conducted by the end of October 2010. The reason for relatively high response rate may be due to the fact that the questionnaire were distributed and collected by the researcher in addition to his follow-up letter and visit to the banks. A total of 12 questionnaires were returned from public banks with a letter explaining that their bank policy does not permit them respond to surveys and two questionnaires were unusable because of missing data. In total 30 banks were the population of the current study, 60 questionnaires targeted T&D and HRM managers in each bank, and 15 semi-structured interviews were held with 15 managers from each bank. Despite the intention to interview 22 managers only 15 responded. The inputs from managers can be considered as favourable. The other managers declined to take part in this study because they were too busy and because their banks policies do not allow them to give any information about T&D policies.

1.24.10 Design of the questionnaire

The responses were to be solicited from the respondents; the questionnaire was made simple, direct and unambiguous as possible. The respondents were requested to tick at the appropriate place. Clear directions were provided for each section, the questionnaire
contained five sections as under: Section I dealt with collecting information regarding to demographics such as age, marital status, education level, religion, and designation in the bank. Section II required information pertaining to the training department. Existence of training department in the bank, number of training conducted, frequency of training, total training programmes held, whether the employee attended such programmes and if the employees attended them out of their own interest or compulsion. Section III relates to finding the frequency of the use evaluation methods. The frequency of use is specified as never, sometimes and always. Section IV asked for the opinions of the respondents on a five-point scale, ranging from strong agreement to strong disagreement. The positive and negative statements we rearranged alternatively in the questionnaire. Section V devoted itself to open ended questionnaire dealing with opinions and suggestions of respondents. Opinions regarding the major difficulties in the path of using better evaluation techniques, suggestions for improving their effectiveness, future trends in evaluation and other relevant information were sought from the respondents.

1.24.11 Structured Interviews

The rationale for using semi structured interviews in this study was very successful, since majority of the managers preferred to talk rather than to complete the questionnaire. Thus, it was decided that top managers would be interviewed rather than asked to complete the questionnaire which they may be reluctant to spend time providing written explanatory answers. In addition, from the outset the researcher was convinced of the value of using face to face interviews, because of their merits in exploring a wide range of issues relating to research questions. In addition they complement the questionnaires and can explore or explain, in-depth, any further details, information, themes and facts under investigation.
behind the questionnaires responses. A total of 1260 questionnaires were distributed by the researcher in-late September 2010 to the employees of public and private banks.

1.24.12 Pilot Study

An initial stage of the study procedures was a personal visit to head offices in Bangalore, Hubli and Udupi to get organizations addresses. This action was followed by personal visits to each bank by the researcher to introduce him-self and to build a strong trust with the managers. This kind of visit is very important to build trust with participants, to encourage them to participate and determine a deadline for completing the questionnaires. In addition, through this visit the researcher was able to determine the name of the persons to be interviewed. Moreover appointments to distribute the questionnaire and to conduct the interviews were decided during these visits. A number of actions were taken to optimize the collection of the questionnaire data. At each visit the researcher delivered the questionnaires and conduct interviews to the participant’s office to make sure that the questionnaire will be completed by them. A deadline for completing the questionnaire was identified by asking the respondents would be able to complete the questionnaire. The researcher left a phone number to advice, and when the questionnaire was ready to be collected, and during the completion period the researcher phoned the participants to ask whether or not they had finished. When collecting the questionnaire the researcher made sure that he saw the participants who had completed the questionnaire and usually, he had the opportunities to have another conversation about the contents of the questionnaire or any other comments about the questionnaire. Some participants, after completing the questionnaire offered more documentary data which meant that they were interested and understood the questionnaire.
1.24.13 Analysis and Presentation

The responses were coded and tabulated in Software Package for Social Sciences (SPSS), according to different groups. The analysis and interpretation on the basis of such tables and graphs is presented in chapter three, four and five. Statistical analysis techniques of percentages, measures of central tendency such as mean, mode, median, rank, and correlation, tests of significance as chi-square, t-test, f-test, and analysis of variance method have been used. The conclusions drawn have been based on analysis and interpretation of data. Some recommendations have been made on the basis of conclusions. Finally, some directions for further are indicated on the basis of knowledge and information gaps exposed and left uncovered.

1.25 Scope and Limitations of the Study

The limitations of the research study, as presently apparent, arise due to the following reasons viz., the scope of the research, design of the research and personal factors. Each of these is described below:

1.25.1 Due to Scope of Research

a) The study is limited to two groups' viz., selected public and private sector banks in Karnataka. Consultancy firms involved in conducting training and development programmes have been excluded in this study.

b) The scope does not differentiate between types of employees and management training.

c) The scope assumes no difference between training and evaluation programmes of short, medium or long duration.
1.25.2 Due to Research Design

a) Despite persistent efforts, more number of responses could not be received.

b) Adequate space was not provided in the questionnaire for open-ended responses. Due which some respondents may have faced difficulty. The researcher regrets this lapse on his part.

1.25.3 Due to personal factors

a) Lack of adequate material and financial resources has definitely been a limiting personal factor in undertaking the present research study.

b) Another personal limitation was language problem on part of the researcher in undertaking the present research study.

1.26 Chapter Scheme

The present study has been divided into six chapters as follows:

1. Introduction:

2. Profile of the Study Area- Analysis

3. Training and Development Policies of Public and Private Banks

4. Training and Development Practices in Public and Private Banks

5. Training and Development in Public and Private Banks- An Evaluation

6. Summary, Findings, Conclusions and Suggestions