

# Analysis of Professional Development Training Procedures and Its Significant Impact on Operational Excellence in NBFC

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**Abstract:** The researcher stated a significant approach of professional development training procedures and its significant impact on operational excellence in NBFC. The research studies show that most of the financial sector organisations being medium to large scale organisations are arranging various Professional development programs like Training & Development, certification programs, Higher education opportunities for skill enhancement of their employees. But very few studies have been done which try to find out the impact of these Professional development programs arranged by organisations on their employees with respect to achieving Operational Excellence. The Professional Training Development Programs when arranged do not have the same parameters behind its selection than the need identification and effectiveness of the Professional Development Program. The researcher focused on Training in developmental activities in an organisation is the process that's prime to achieve operational excellence. The necessary skills required by the employees to perform at their respective job role and along with it develop and build on these skills as per the technology upgrade and changing market conditions is very important. Developmental programmes play vital roles in adding values to the employees that are beneficial for them and the organisations as they encourage and provide employees essential skills such as confidence, perseverance and patience to cope up with the market pressure that helps in the organisation allowing higher retention rate, in process providing the organisation with the much-needed profitability and stability.

**Keywords:** Training, NBFC, Operational Excellence,

## I. INTRODUCTION

In banking industry Training and development activities carried out by the organizations give a push to knowledge-based skill development as well as a job and job satisfaction to their workforce. It has seen an increase in workforce retention; attrition rate has seen a good drop and has provided a sense of value along the employees. Development of employees is not seen as a continuous process thanks to a constantly changing environment; hence the specific training modules help employees to perform with more efficiency. This improved performance can be observed in the changed culture in the offices of this organization and also are highlighted in their accounts. As it's important to keep improving productivity, efficiency and managers decision making for better results, training is seen as an ongoing process. These specialized programme training modules designed as per need involves capital investments through their benefits can be seen in the form of increased performance, productivity, and employee satisfaction, independence leading to reduced supervision and organization flexibility with stability. To form a competent and versatile workforce that would add value to the organization is a positive way to take on the competition in the global market. (Dikshit, Jain, 2017)[7]

The skills attained during the regular institutional education are finding less space in the application in the corporate and industrial sectors. As per Vinesh, this situation needs to corroborate with close coordination between the institution offering the relative education and industry standard processes so the human resource gets imparted with the desired skills with purpose-built developmental programmes and training methods. There are institutions that are in tie-ups with the organisations that focus on a particular development needed by their client. These customised, off the shelf programmes catering to a particular client needs and business operations, are much more streamlined and effective. (Vinesh, 2014)[3]

The environment currently is intense and very competitive globally for business, hence it's become imperative for businesses and organisations to undertake training and development programmes for their workforce. The constant change in the technology, service methods have kept most active and to face this, training the resources constantly following the new industry standard is turning out to be very challenging. The training programmes and initiatives that have been under use needs to be updated too on a continuous basis strategically to gain grounds with the ever-changing demand. A groundwork before launching a training programme has become important keeping focus on

the training needs, identification of methodology using appropriate elements in order to make the training program effectiveness in attaining the contemporary competitive market scenario.

Organizations dedicate a lot of resources these days for the developmental activities of employees. It's been observed a lot of Indian organizations have been setting up resources for training and development. This is done mostly in a way to Most organizations in India have been allocating resources to training as an act of faith for professionalism and strategic thinking. There are different kinds of training and development methods and modules that could also be designed bespoke. The designers need to match the best method, techniques with the requirement of the organization and its objectives. Indian corporate scene has seen the implementation of modern training techniques that have had tremendous impact and progress in terms of training activity leading to a much higher competitive edge. This new situation demands a review of existing skillset, training techniques and methodologies. (Sultana, Devi & Navyateja, 2014)) [10]

## II. LITERATURE REVIEW

Employee training is different from management development or executive development. While the former refers to training given to employees in the operational, technical and allied areas, the latter refers to developing an employee in the areas of principles, and techniques of management, administration, organization and allied ones.

Indian banking and finance sector has seen rapid growth on a year to year basis, along with this growth there has been a transformation within the industry with respect to technological advancements, innovations assimilated relative to the sector needs. In order to better perform and absorb these changes and to face future challenges, employees are to be provided with maximum support by the organisation for them to perform, enhance their skills, develop right attitude towards the competitions and problem areas, as well as to comply with the stringent norms implemented on regular basis. Training is seen as one of these procedures of human resource development function that allows the banking industry to cope with future challenges with efficiency. Development of a workforce that is competent and versatile enough to understand the current and future organisational duties and carrying out them with efficiency is imperative. Identifying this, a realisation and this its appreciation by the Indian industry is important to stay afloat and lead in this fast-paced environment. Only a competent employee, organisational workforce could add the necessary value for an organisation to be successful and remain so with continuity.

It's been a constant struggle and in spite of many attempts to define HRD function, there is no unanimous forthcoming

decision to put this to rest. In originality, Human resource development was thought as a collective term incorporating special elements that were the three types of vocational learning activities that proved to contribute to developing resources and their effectiveness.

The three methodologies mentioned are:

- (a) Training, a short term training process that is focussed on immediate changes in job performance, an example of job training activities
- (b) Education, this targets and triggers intermediate changes in individual capabilities. These are longer duration courses.
- (c) Development, this concerned growing capabilities with a much longer duration of educational courses like university degrees, that seeks improvement in the individual worker by imparting fundamental knowledge. (Weinberger, 1998, McLean & McLean, 2001)

As seen above there had been a lot of commentaries supporting and justifying it forming a majoritarian view about the relation the effectiveness of training methods and modules, there are a few minorities as seen here. (Morgado and Brewster, 2003) happened to be few rebels in this bunch who were unable to determine the impression of the training on organisational performance and went on to suggest more studies analysing the relations between the two was imperative.

The scope of the HRD function is ever expanding and tricky. The scope of HRD function defined by (Nadler, 1980) is that of all the organisation educational, training modules, as well as the development facilities that are available and are dedicated to enhancing the learning processes that are necessary for the change within an organisation. HRD function in a context of the organisation put forth by (Rao, 1997), implies that it's a process by the virtue of which employees of an organisation are developed as per their job profile on a continuous basis in a structured way to

1. Attain and build on the capabilities they already possessed to perform their duties in present as well as in the future.
2. Developing their regular individual capabilities, realising and putting to use the potential for personal growth and development as well as organisational benefits.
3. A strong developmental culture with a focus on organisational relationships, collaboration amongst them and teamwork contributing to increasing their motivation, develop confidence, a sense of wellbeing within organisation irrespective of their designations.

He also mentioned multiple targets of HRD function that include the development of competency among the

employee, building motivation and important to develop an environment favourable for free and fair employee development. The Indian banking sector is in process of implement similar models create a structure in line with Indian business, clients and customer needs. Organisational processes are a methodology brave enough to venture ahead and above the prescribed organisational and as well as functional limits. (Tikkanen, 2005).

There is a continuous discussion between the between scholars and professionals about the effectiveness of training and development initiatives on objectives set for its employee and also for the organizations itself. It's been suggested some scholars that training is and could be a procedure that would allow organizations to sharpen and retain their workforce while others are of the opinion that increase in training activities has lead increase high turnovers, K. Jehanzeb (2013)

When objectives of the training programmes are fulfilled in a nice manner it's said the be effective. The effectiveness is measured by the amount of nearness, closeness the outcome of the training module is to its set targets. According to Lina (Vyas L, 2004)[64], the most important process, the evaluation is also one of the most proper ways to underhand and assess the effectiveness of a module involving training methodology and techniques., having said that other however, other factors having an effect on the training activities are the relay of learning contents, how able a trainer is in delivering the needed for the trainees to understand and inculcate within themselves, capability to identify the problem areas or the areas that need to be addressed and designated modules covering the concerned areas of the organisation.

As per (Huque A.S and Vyas L, 2008), the effectiveness of training can be measured by observing the results of the employee or the trainee performances against the standards and the application of the training techniques in the real world environment at their work. (Scaduto A, DouglasL & Dan S, 2008). It's important to study the effectiveness of the training modules and it develops understand and adds to the knowledge to track the performance of the trainees by comparing the results against the expected outputs, thus in process evaluate its usefulness in achieving the objectives. (Niraj Kishore Chimote, 2010). The failure to consistently find results for the effectiveness of training through the use of behavioural and performance rating criteria can be attributed to several sources, including training design issues, trainee characteristics, work environment characteristics, and criterion issues (Baldwin & Ford, 1988; Goldstein, 1986). To examine training effectiveness using results criteria, the inherent difficulties involved in collecting objective performance measures of trainees. (Ostroff Cheri 1991).

Jaspreet (Kaur J, 2012) conducted a study on Canara bank branches in Kurnool districts all branches on a sample base of 85 employees to realise that there was a strong agreement amongst the workforce of the bank regarding the necessity of training and development programmes. The positivity on the training and development situation on the bank further stretches with the majority of the employees who attended these happen to rate their trainers highly, as they were well aware and knowledgeable to prepare and develop values in the employees, thus carrying out the required task given to them with good quality. The trainers were praised for creating a learning environment pleasant. The overall rating for the training and development programme was also allotted on the basis of their interactivity.

The training and development programmes and activities took up by the banking industry for their employees studied by (Jadhav, 2013) was to understand and gain insights that could be put in the following words. The most important objectives of the current research on this were to have an analysis on the effectiveness and efficiency of the training and development programmes that were designed and implemented by the organisation for the employees to perform their job duties and also to observe how programmes have helped them to achieve customer satisfaction by providing the required standard of services. This study involved the organisation's workforce and the primary data and information were attained through a simple questionnaire and form filling process. A sample size of about 40 employees was part of this study that were selected on a random basis. For this study primary data was collected through a questionnaire filled by the bank employees. A sample size of 40 employees is selected by the use of random selection procedure from different banks like HDFC, ICICI, Vijaya Bank, Bank of Baroda, and Dena Bank what were situated in the Mumbai suburban region. The study concluded that both in public and private banking scene there is the realisation of the importance of training and development and their positive effects. These banks took up training and development activities to increase employee efficiency. The training is provided by the banking to build on the knowledge base relative to the work profile and organisations roadmap and to increase the skillset to achieve customer satisfaction. This focus of banking on its employee has seen a Growth of banking sector in India and is attributed to the skilled manpower which is the result of proper selection and implementation training and development programmes.

### III. PROBLEM STATEMENT

The researcher stated some of the significant researcher issues on Training in an organisation could also implement to act an intervention with the purpose of influencing learning as well as behavioural changes among the workforce. It determines training intervention in order to have improvements in the products and services sector by

improving upon the skills in technical aspects of the employees to face off the competition and the workforce in an industry as well the organisation itself is bound to tackle the changes based on the product innovations and service upgrades. These changes required as per the updated products and their services need to be absorbed via building on the knowledge base and generating expertise. This process is undertaken and acted upon through HRD interventions.

**IV. RESEARCH OBJECTIVES**

The researcher stated some of the significant research issues on professional development training procedures and its significant impact on operational excellence in NBFC which are significant in business organizations.

1. To analyse the impact of training methods in achieving operational Excellence
2. To understand technology based training methods and its impact on operational excellence.

3. To analyse the impact of higher education of existing employees on operational excellence
4. To suggest the best suitable methods in Financial Sector for achieving Operational Excellence

Training in developmental activities in an organisation is the process that’s prime to achieve operational excellence. An activity that requires continuity to identify and develop skills as per the organisations standard and objectives. The necessary skills required by the employees to perform at their respective job role and along with it develop and build on these skills as per the technology upgrade and changing market conditions is very important.

Among the various things that are being considered during the training sessions includes information on the updates that have taken place in the banking sector, the theory of banking and product knowledge with allied services. Such updates can be delivered through organisation portals. Employee’s induction and training on timely basis educated the workforce about these methods.

**V. CONCEPTUAL FRAMEWORK OF THE RESEARCH STUDY**

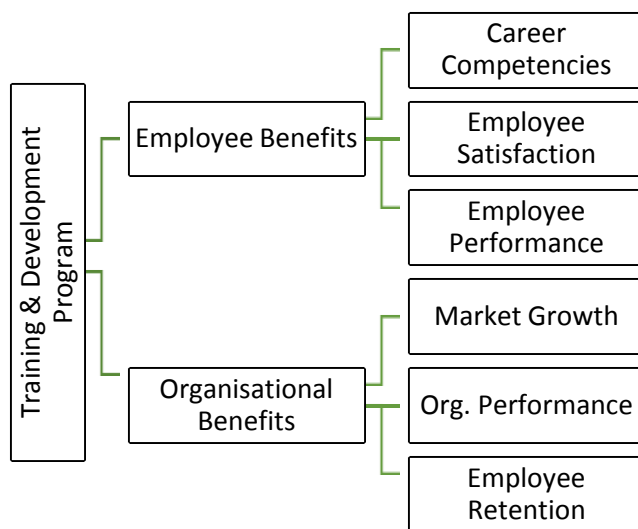


Fig 1.1: Individuals & Corporate Benefits from Trainings & Development Programs.

**VI. RESEARCH DESIGN AND METHODOLOGY**

The interpretive nature of the present research dictated the use of qualitative data. Qualitative data can provide rich, in-depth information about the phenomenon under study. In addition, qualitative data such as those collected through interviewees are also better for drawing out the tacit dimension to rural areas mobility model banking services, where the traditional positivist-quantitative methods fail. Although the Qualitative method seemed to best suit the purposes of this research, there was an obvious limitation to

employing that method. With qualitative research, the research population needs to be limited. However, gauging the extent of differences of perceptions, clarifying issues in terminology and thematic significance and validating the key elements in the literature all required access to a larger research population.

Therefore, the quantitative method was also employed in order to gain insights from the larger population and to obtain statistical, quantitative results. The results of the questionnaire were used to conduct follow up interviews,

and to identify some of the deeper issues raised by the relationship between Role of Professional Development Skill for Operational Excellence In context to Financial Sector In Bhopal & Indore Region including emerging themes and recurrent events.

The use of quantitative methods in interpretive studies has been supported in the literature Glesne & Peshkin (1992) the researcher emphasized that the blending of qualitative and quantitative research methods has also been supported by King et al., where most research does not fit clearly into one category – qualitative or quantitative – or other also support

## VII. ANALYSIS AND DISCUSSION

To make sure of the employees are well developed with the right and required kind of skills, relative functional knowledge and abilities carry out a task it's important to have a dedicated team to select the right type of training method in accordance with the business needs of the organisation. The right training process ensures that the employees trained to attain the correct skills that s in line with the job profile and business needs and also it could be expanded for future needs by allowing a continuous upgrade as per the company norms, technology and policies changes. Training and development have taken up a strategic role when it comes to the current and future needs of the organisation as per the research conducted by (Stavrou et al, 2004) and (Apospori, Nikandrou, Brewster and Papalexandris, 2008). As per (Armstrong M, 1997), training is defined as an approach that systematically imparts skills, develops attitude and confidence and also the knowledge that is required by the workforce to perform efficiently.

Some observations and interpretations highlighting the methods involved in training like in the job training methods, off job training methods and different methods based on designations are mentioned here. Managerial training modules are much different than the employee ones as the focus is more on the management and leadership skills rather than the regular jobs which are more of job relative skill and motivational process that are specific to training within the Indian finance and banking sector has been put forth by (Kaur J, 2012).

In training and development programmes the person who trains the resources plays an important role in as an influencer in developing the attitude and skills of employees in the organization. Keeping the focus on the magnitude of work of the challenged in the future thanks to emerging technologies and innovation, the banking sector is imparting training specific to the required skills and also for quality improvement.

Banks have begun understanding the importance of imbibing innovation and technology know-how in the workforce and have taken up programmes such as

using different research methods because, today's research world is becoming increasingly interdisciplinary, complex, and dynamic, therefore, many researchers need to complement one method with another. The nature of the present research is mostly qualitative, and the questionnaire itself included many open-ended questions resulting in qualitative data. The empirical analysis of the all attributes and factors are based of the 0.05 significant level. The researcher analysed the data analysis with respect to correlation and coefficient which are showing a strength of relationship between variables and their associated factors.

vocational training modules, designed by higher education institutions, to educate them regarding this, to develop them for new products services and promote innovation. In banking, the employees to sense that it's important to have a training process that would allow them to fit in the job profile efficiently and also to acquire the much-needed information relative to their job profile. An approved educational course or workshop from their supervisor recommending a system to identify training modules with respect to the needs of the employees.

Among the various things that are being considered during the training sessions includes information on the updates that have taken place in the banking sector, the theory of banking and product knowledge with allied services. Such updates can be delivered through organisation portals. Employee's induction and training on timely basis educated the workforce about these methods.

The training process is of great benefits in general to the trainees as it helps them improve on the interpersonal relations, communication with fellow employees. Along with this it also helps on a personal level by helping develop a positive attitude, a higher level of motivation besides adding on to the knowledge of the group continuously.

The private and public financial intuitions there are a difference in the training methodology and programme designs. Private sector banks rely on the usage of Orientation method to train their employees, a Job rotation technique for managers and a method consisting of lectures for non-managers. While the Public sector banks approach is to implement on the job as well as off the job training programmes, Lecture method for managerial level employees and Orientation method saved for the non-managers. Mostly it has been observed that banking has been using more traditional methods, a cautious tested approach towards training and development in their organisations than to go experimental.

## VIII. NEED & SIGNIFICANCE OF THE STUDY

Based on the thorough Literature and research gap, the need & Significance of the study can be numerated in the following points.

1. Tremendous growth in the financial sector in the last decade in the country.
2. Need of achieving Operational Excellence to survive and to become a more sustainable organisation
3. Tremendous skill gap between in the required skills for achieving Operational Excellence vis-a-vis attained skills in the financial sector.
4. Understanding the role of Professional Development skills for achieving Operational Excellence in the Financial Sector
5. Understanding the effective means of Professional Development skills programs to achieve Operational Excellence in Financial Sector.

### IX.CONCLUSION

In this research paper the researcher emphasized that a significant approach of effectiveness of training and development initiatives on objectives set for its employee and also for the organizations itself. It's been suggested some scholars that training is and could be a procedure that would allow organizations to sharpen and retain their workforce while others are of the opinion that increase in training activities has lead increase high turnovers. Most of them in the field of Training and development agree that training and development is a tedious, complicated, vast and continuous human resource activity and the expression of which could be seen in the performance of the organization that has its influence. Organizations are trying to dissect the reasons for the success in the world economy by learning the differentiation between the abilities, information relayed and enthusiasm of their workforce that would enable them to formulate a better strategy which a continuous process.

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