



IMPACT OF TRAINING AND DEVELOPMENT OF EMPLOYEES AT KOTAK MAHINDRA BANK

Mr. Appasaba.L.V

Assistant Professor Department of MBA VTU –Belagavi

Abstract

Training and development play an important role in the effectiveness of organizations and to the experiences of people in work. Training has implications for productivity, health and safety at work and personal development. All organizations employing people need to train and develop their staff. Most organizations are cognizant of this requirement and invest effort and other resources in training and development. Such investment can take the form of employing specialist training and development staff and paying salaries to staff undergoing training and development. Investment in training and development entails obtaining and maintaining space and equipment. Kotak was rated as the best employers across all financial organizations, credit goes to its training programs which were organized for all the financial years. These programs enrich the system with quality employees who contribute to the organization as a whole and this facilitates the organization to achieve its overall goals.

1.0 Introduction

In the field of human resource management, training and development is the field concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. It has been known by several names, including employee development, human resource development, and learning and development.

It also means that operational personnel, employed in the organization's main business functions, such as production, maintenance, sales, marketing and management support, must also direct their attention and effort from time to time towards supporting training development and delivery. This means they are required to give less attention to activities that are obviously more productive in terms of the organization's main business. However, investment in training and development is generally regarded as good management practice to maintain appropriate expertise now and in the future.

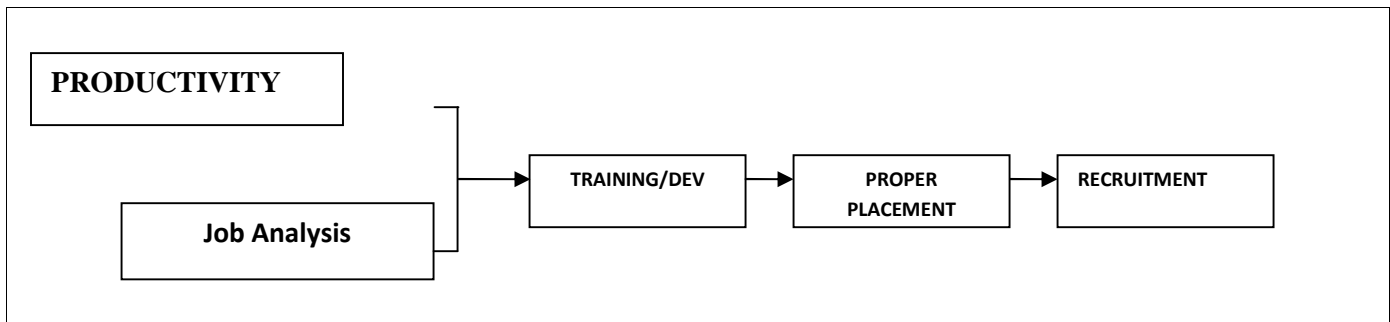
1.1 Training and Development

Training is very critical in an organization as it covers the following aspects

- Enhances Negotiation Skills
- Promotes Creativity
- Increases Productivity
- Promotes Leadership
- Communication skills, some of the pitfalls and bear traps that litter our everyday communication issues.
- Promotes strategic thinking
- Teaches the people with telephone techniques
- Stress management
- Time management
- Business relationship management
- Conflict management



Assertiveness Training



1.2 Need For Training And Development

Training refers to the process of imparting specific skills. Development refers to the learning opportunities designed to help employees grow.

The fundamental aim of training is to help the organization achieve its purpose by adding value to its key resource – the people it employs. Training means investing in the people to enable them to perform better and to empower them to make the best use of their natural abilities. The particular objectives of training are to:

1. Develop the competences of employees and improve their performance;
2. Help people to grow within the organization in order that, as far as
3. Possible, its future needs for human resource can be met from within;
4. Reduce the learning time for employees starting in new jobs on appointment, transfers or promotion, and ensure that they become fully competent as quickly and economically as possible.
- 5.

1.3 Purpose and Importance of Training and Development

Leads to improved profitability and/or more positive attitudes towards profit orientation. Improves the job knowledge and skills at all levels of the organization

- Improves the morale of the workforce
- Helps people identify with organizational goals
- Helps create a better corporate image
- Fosters authenticity, openness and trust
- Improves relationship between boss and subordinate
- Aids in organizational development learns from the trainee
- Helps prepare guidelines for work
- Aids in understanding and carrying out organizational policies.
- Provides information for future needs in all areas of the organization
- Organization gets more effective decision-making and problem-solving
- Skills Aids in development for promotion from within Aids in developing leadership skills, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display Aids in increasing productivity and/or quality of work. Helps keep costs down in many areas, e.g. production, personnel, administration, etc.
- Develops a sense of responsibility to the organization for being competent and knowledgeable
- Training process
- Needs assessment diagnoses present problems and future challenges to be met through training and development? Organizations spend vast sums of money (usually as a percentage on turnover) on training and development. Before committing such huge resources, organizations would do well to the training needs of their employees. Organizations that implement training programs without

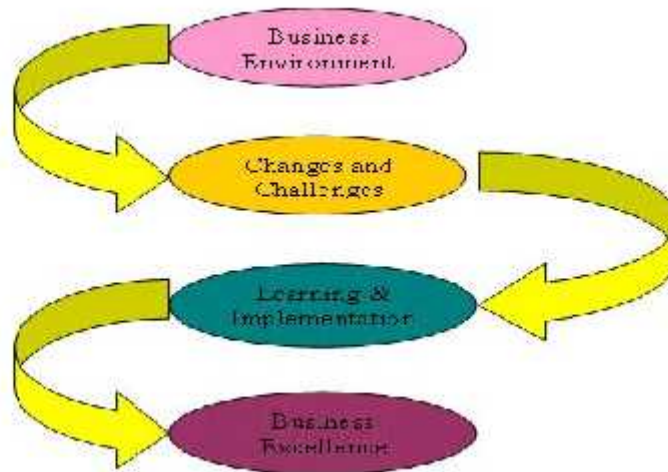


conducting needs assessment may be making errors. For example, a needs assessment exercise reveal that less costly interventions (e.g. selection, compensation package, job redesign) could be used in lieu of training.

- Needs assessment occurs at two levels-group and individual. An individual obviously needs when his or her performance falls short of standards, that is, Deficiency when there is performance deficiency. Inadequacy in performance may be due to lack of skill or knowledge or any other problem. The problem of performance deficiency caused by absence of skills or knowledge can be remedied by training. Faulty selection, poor job design, uninspiring supervision or some personal problem may also result in poor performance. Transfer, job redesign, improving quality of supervision, or discharge will solve the problem. Figure below illustrates the assessment of individual training needs and remedial measures.
- Assessment of training needs must also focus on anticipated skills of an employee. Technology changes fast and new technology demands new skills. Its necessary that the employee be acquire new skills. This will help him/her to progress in his or her career path. Training and development is essential to prepare the employee to handle more challenging tasks. Individuals may also require new skills because of possible job transfers. Although job transfer common as organizational personnel demands vary, they do not necessarily require training efforts. Employees commonly require only an orientation to new facilities and jobs. Recently however, economic forces have necessitated significant retraining efforts in order to assure continued employment for many individuals. Jobs have disappeared as technology, foreign competition, and the forces of supply and demand are changing the face of our industry.
- Assessment of training needs occurs at the group level too. Any change in the organizations strategy necessitates training of groups of employees. For example, when the organization decide to introduce a new line of products, sales personnel and production workers have to be trained to produce, sell and service the new products. Training can also be used when high scrap or accident rate the goals of the organization (short-term and long-term), and the trends that are likely to affect these goals. The analyst needs to ask and answer the following questions:
 - Is there a sufficient supply of people?
 - How does the firm attract, retain and motivate diverse work-force?
 - How does the firm compete for individuals with the right skills, Knowledge abilities and attitudes?
 - How do employees make the firm competitive, domestically and Internationally?
 - Which are the target jobs that require training?
 - These issues enable the analyst identify skill gaps in people, which training seeks to fill.
 - It is a learning process that involves the acquisition of knowledge, sharpening of skills, concepts, rules, or changing of attitudes and behaviors.



Performance of Employees.



1.4 History of The Kotak Mahindra Bank

Kotak Mahindra Bank is one of India's leading financial private banking institutions. It offers banking solutions that covers almost every sphere of life. Some of its financial services include commercial banking, stock broking, mutual funds, life insurance and investment banking. Established under the brand of Kotak Mahindra Finance Ltd in 1984, it was given the license to carry on with banking business by the Reserve Bank of India in February 2003. It is the first company in the Indian banking history to convert to be converted from a private financial institution to a bank.

Kotak Mahindra Bank: Branches and Business Within a small span of 6 years, the bank has spread it wings in several sphere of finances. Presently, spread in 82 cities in India, the bank caters to the needs of its 5.9 million customers spread throughout the length and breadth of country and even abroad. By the end of FY 2007-2008, the Kotak Mahindra Bank had about 178 branches spread all over the country and it plans to add some more branches by the end of FY 2010.

The entire Kotak Mahindra group has a net worth of over Rs. 6,327 crore and at the end of FYP 2007-2008, it was reported that the consolidated profit of Kotak Mahindra Bank individually was Rs 991.2 crore which was 84% higher than the consolidated profit of Rs 538.2 crore in FY07. Kotak Mahindra Bank has 75 ATMs at 41 locations in the country which are 24x7 accessible. Before the free transactions facility of RBI was made mandatory to all the ATM operating banks in India from April 1, 2009, Kotak Mahindra Bank had underwent under a treaty with the HDFC Bank to provide free network free of cost to most of its customers through its 1335 ATMs spread in the country to ensure comfort to its customers.

Kotak Mahindra Bank: Facilities and Customer Care. The facilities of Kotak Mahindra Bank are wide spread. It's banking sector acts as a central platform for customer relationships across the entire Kotak Mahindra group's various businesses. The bank marks its presence in the commercial vehicles, retail finance, corporate banking and treasury and housing finance segments. It offers you several facilities like personal banking, commercial banking, insurance and investment banking.

Apart from traditional facilities like deposits accounts, savings account, current account, term deposits, personal loans, home loans the bank has spread its wing in the investment services by providing its customer facilities like Demat, mutual fund and insurance. The bank has also opted for net banking, mobile banking and phone banking for convenience of its customers.



1.5 Literature Review

According to the Michel Armstrong, "Training is systematic development of the knowledge, skills and attitudes required by an individual to perform adequately a given task or job". (Source: A Handbook of Human Resource Management Practice, Kogan Page, 8th Ed., 2001)

According to the Edwin B Flippo, "Training is the act of increasing knowledge and skills of an employee for doing a particular job."

The term 'training' indicates the process involved in improving the aptitudes, skills and abilities of the employees to perform specific jobs. Training helps in updating old talents and developing new ones. 'Successful candidates placed on the jobs need training to perform their duties effectively'.

The principal objective of training is to make sure the availability of a skilled and willing workforce to the organization. In addition to that, there are four other objectives: Individual, Organizational, Functional, and Social.

1.6 Objectives of The Study

1. To study the training process of the organization.
2. To study the effectiveness of the present training process.
3. To give suggestions for improvement in training process.

1.7 Findings

These are findings which are found during the study of recruitment and selection process.

1. During the study it was found that most of the people who had undergone training in the banks were more motivated than the others.
2. It was also found that majority of the respondents who were trained had job satisfaction
3. It was found average age of the stay for people in Kotak was 4-5 years which is very good for a bank
4. Most fresher's who joined as management trainee wanted to stay in kotak for a long tenure
5. Employees got a good feedback from their seniors and even from the customers
6. Sales went high for the period when they were trained

1.8 Suggestions

Following are the suggestions given to improve the process to and to optimize on time, cost and effectiveness and enhance productivity

1. Training should be given to resource consultants about the technology to have a better work environment.
2. Companies should have a tie-up with major search engines.
3. Suggestions from the employees can also be taken to improve the process.
4. Identification of training needs is very important at the time of interview process.
5. The latest techniques can be implemented for identifying
6. The candidate's capability and aptitude.

1.9 Conclusion

Today, in every organization Training and development has a very important role. Training the manpower is an investment for the organization as it promotes the overall target of the organization. The objectives of Human Resource Department are Human Resource Planning, Recruitment and Selection, Training and Development, Career planning, Transfer and Promotion, Risk Management, Performance Appraisal and so on. Each objective needs special attention and proper planning and implementation.

For every organization it is important to have a right person at right roles and training the person also counts for the productivity of an organization as it is a sort of investment for the point of view of an organization. In banking sector the manpower needs to be trained every quarter for the changes that are happening in and around the economy and also for the motivational and stress reduction reasons if training activities are organized from time to time in an organization like a bank, it results in knowledgeable people who have better chance to get promotion and salary hike in the company which increases the satisfaction level and also the retention of the employees with the same organization.



References

1. P. Subba Rao (2009), “Essentials of Human Resource management and Industrial Relations”, Himalaya Publication House, 3rd Revised & Enlarged Edition.
2. Michel Armstrong (2001), “A Handbook of Human Resource Management Practice”, Kogan Page, 8th Edition.
3. Mamoria, C. B. (1995), “Personnel Management (Management of Human resources)”, Himalaya Publishing House, Bombay.
4. Chaudhuri, Manodip Ray. “Employ Training Grooming for a better tomorrow”. HRM Review, Vol.4, No.1, January 2004.
5. Dwivedi, R. S. (2001), “Managing Human Resources-Personnel Management in Indian Enterprises”, New Delhi: Galgotia Publishing Company, New Delhi.
6. Aswathappa, K. (2000), “Human resource and Personnel Management”, Tata McGraw-Hill Publishing Company Limited, New Delhi.
7. GunaSeelanRethinam, Maimunah Ismail (2008) “Constructs of Quality of Work Life: A Perspective of Information and Technology Professionals”, University Putra Malaysia, Malaysia.
8. ZHU Su-li, LONG Li-rong (2008), “The Treadmill Effect on the Utility of Quality of Working Life”, Wuhan University of Technology, P.R.China.
9. Chao, Chih Yang Huang, Yi Li Lin, Chih Wei, “The Relationship between Leadership Behavior of a Principal and Quality of Work Life of Teachers in an Industrial Vocational High School in Taiwan”.