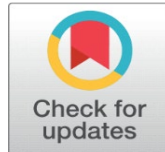
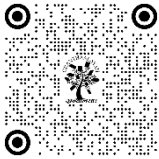


EVALUATING THE EFFECTIVENESS OF TRAINING AND DEVELOPMENT INITIATIVES ON EMPLOYEE RETENTION AND JOB SATISFACTION IN INDIAN PUBLIC SECTOR BANKS

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ABSTRACT

This is a study that will evaluate the effects of a training and development program on work satisfaction and staff retention in the Indian public sector banks using secondary data that has been collected in previous studies. With a quantitative type of analysis, the paper assesses the correlation amid job satisfaction and retention intention, training quality, career development, skill improvement, and organizational support through such measures as descriptive statistics, chi-square, t-tests, MANOVA, principal component analysis, and regression models. The findings indicate that training and development programs intend to emphasize career development opportunities, improvement of skills, and support within organizations, which have a profound influence over work satisfaction and retention. Demographic factors such as gender or level of income had no significant effect on the training impressions, and this means that the positive results of the policy were obtained with an equal level of success in all categories of employees. The research contributes to knowledge through providing evidence-based knowledge on how organized need-based training programs can increase employee engagement, skills, and stability of an organization within competitive environments such as the banking industry. These results have significant HR policy implications for the banks in the public sector.

Keywords: Training and Development, Job Satisfaction, Employee Retention, Career Development, Organizational Support, Skill Improvement

1. INTRODUCTION

By means of financial intermediation, rural outreach, and employment drivers, the Indian banking sector, and especially the public sector banks, or PSBs, contribute to sustaining the economic prosperity of the country in question. Yet, these organizations have faced in recent years previously unseen challenges in recruiting and retaining the skilled personnel, guaranteeing professionalism of their services, and promoting long-term commitment of the employees. It is an agreement that training and development (T&D) initiatives are one of the effective solutions to these challenges through the enhancement of employee competences, motivation, and organizational commitment, among others, in the practice of human resource management (HRM) (Kavita Rani & Garg, 2014). Considering the size and social responsibility of the organizations, the training programs of the public sector banks should ensure that their training activities enhance staff members both operational and technological literacy yet satisfy the emerging quality of their service provisions and digital transformation agenda (Ajit Jadhav, 2013). Properly designed T&D structures have been found to positively influence job satisfaction levels as a way to enhance the level of retention of employees in their respective firms, reducing rates of turnover and heightening the overall profitability of an institution (Ramakrishna et

al., 2012). These efforts ensure that PSBs remain relevant amidst upheavals in technology and in competition with the private sector since it provides them with an added tool for retaining their employees and as a performance booster in the highly competitive financial market.

Manisha Purohit (2012) notes that job satisfaction among the employees of the banking industry of a country whose organizations work publicly is a complex phenomenon, and many factors affect this aspect, including the working environment, career growth, remuneration, rewards, recognition, and the perceived worth of organizational assistance. As it is stated by Neetu Pathak (2008), T&D is a form of strategic investment in human resources that can directly impact customer satisfaction and effectiveness of implementing the services and also the resilience of an institution in the long term. It is not merely some practical HR operation. The association between employee motivation and planned training interventions is an old one and implies that employees are more motivated and committed when there are ongoing, relevant, and accessible learning opportunities (Vaishali Nagar, 2009). Such an association is particularly essential to the PSBs operating within a strict regulatory regime, as it ensures the sustainability of operational efficiencies and generates a culture of professional development. When structural changes occur in the Indian banking sector and it becomes increasingly digitalized, the analysis of the success of the training and development programs is to become critical in developing the organizational strategies and policies. By employing secondary data from previous empirical studies, the research will attempt to evaluate these activities in terms of work satisfaction and retention of personnel as a means of offering practical guidelines for HR policy in the sphere of the state banking sector.

2. OBJECTIVES OF THE STUDY

- 1) To understand the relationship between staff retention in Indian banks in the public sector and training and development policies.
- 2) To investigate the impacts of training programs on the level of job satisfaction among workers with reference to different demographic groups.
- 3) To find out what elements of training and development are of utmost importance as far as satisfaction and retention are concerned.
- 4) To offer policy recommendations on enhancing the effectiveness of training in the financial institutions working within the government.

3. NEED OF THE STUDY

Disruption in technology, rising consumeristic demands, and privatization are exerting more pressure on the banking mechanism of India, particularly the state-run banks. Retaining capable employees has become an important consideration given that the expenses of employee turnover are high and there is a need to sustain the high level of service excellence in an organization. Training and development programs are necessary to provide the staff members with necessary skills to cope with these challenges in a way that drives involvement, motivation, and loyalty. However, after spending a lot of funds on such programs, a thorough evaluation of the actual impacts of employee retention and work satisfaction has been necessary. To estimate the benefits and pitfalls of the current methods, the data of past research is considered in the current study. Related to the topic of the public sector banking, the findings could be used by HR departments and lawmakers to develop training programs that are not only strategically effective in the achievement of corporate goals and employee wants but also operationally effective.

4. METHODOLOGY

The study conducted in light of the secondary data analysis methodology and using the published literature on the training and development in the Indian public sector banks only till the month of December 2023. To collect quantitative information on responders into a tabular format in order to analyse the same, empirical research was used to collect data. The data analysis will involve independent t-tests to compare the means between groups of bits of their scores, the chi-square tests to estimate relations between the categorical variables, the descriptive statistics to generalize on demographic data and the perception data, and the MANOVA to identify multivariate differences in perceptions on career development. Pearson correlation coefficients examined the strength of relations between training aspects and outcomes of the employees, whereas Principal Component Analysis (PCA) was employed to unearth the basic features

of training effectiveness. Prediction of the influence of training related factors on the work satisfaction and intentions to remain in the job was tested by a multiple regression analysis. The outcomes are proof-based, context-sensitive, and aligned with the objectives of the assessment of the direct and indirect effects of training and development initiatives due to the methodological robustness.

5. DATA COLLECTION

Figure 1

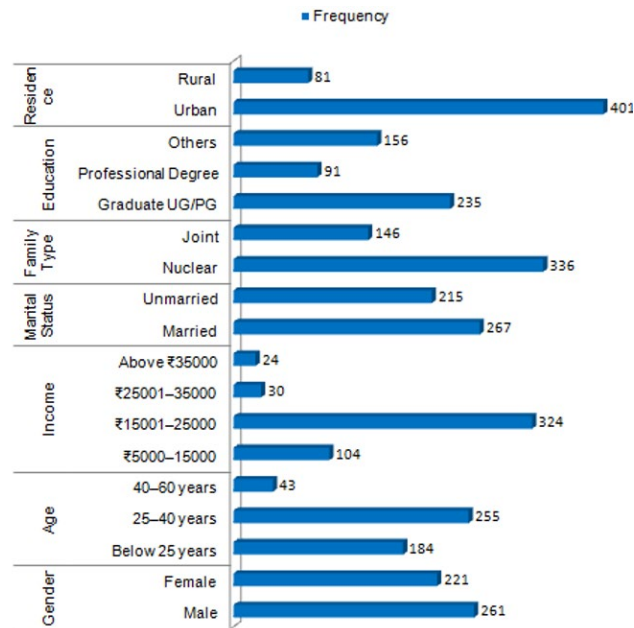


Figure 1 Personal Factors of the Respondents in Public Sector Banks (Tiruchirappalli District) Source: Manikandan, S. (2019)

Figure 2

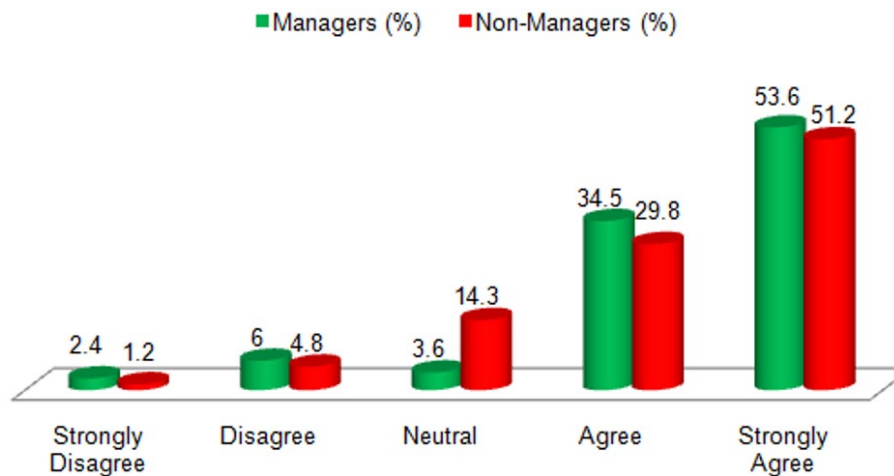
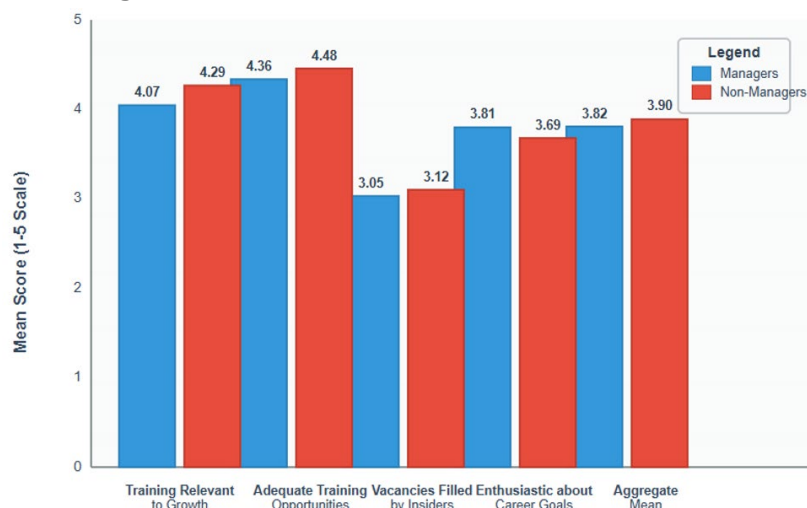


Figure 2 Perception of Public Sector Bank Employees on Relevancy of Training Program, Source: Roy, B. (2018)

Figure 3**Figure 3** Perception of Public Sector Bank Employees on Career Opportunities & Development, Source: Roy, B. (2018)**Table 1 Effectiveness of Training and Development in Public Sector Banks (Gwalior Region)** Source: Mishra, L. (2018)

Statement	% of Response
Induction training is given adequate importance	86% Very Good
Training programmes are well planned	89% Very Good
Norms and values explained during induction	71% Very Good
Training programmes periodically reviewed & improved	90% Excellent
Employees acquired technical knowledge & skill	80% Good
T&D based on genuine needs	79% Good
Employees participate in determining training needs	65% Good
T&D increases employee skills	89% Very Good
T&D enhances quality of service	76% Very Good
T&D satisfies employee ego	79% Very Good
T&D enhances efficiency & effectiveness	78% Very Good
T&D minimizes faults in operations	81% Very Good
T&D improves leadership & managerial skills	79% Very Good
T&D reduces employee stress	73% Very Good
T&D stabilizes the organization	78% Very Good
T&D aids promotion & monetary benefits	72% Very Good
T&D builds overall personality	90% Excellent

6. STATISTICAL ANALYSIS

Based on the latest statistical methodologies, this paper will establish how training and development programs influence both job satisfaction and employee retention within the Indian banks in the public sector.

Analysis 1: Demographic Profile Analysis & Chi-Square Test

Figure 4

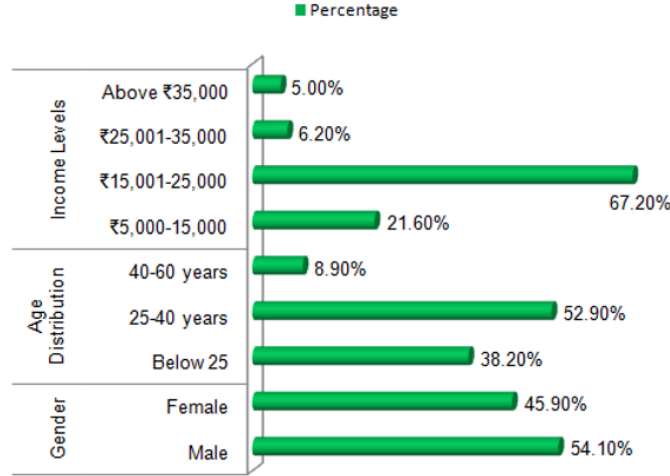


Figure 4 Descriptive Statistics - Employee Demographics (N=482)

Source: Manikandan, S. (2019)

Table 2 Chi-Square Analysis: Gender vs Income Distribution

Income Range	Male (Expected)	Female (Expected)	Chi-Square Contribution
₹5,000-15,000	56.3 (56.3)	47.7 (47.7)	0.000
₹15,001-25,000	175.3 (175.3)	148.7 (148.7)	0.000
₹25,001-35,000	16.2 (16.2)	13.8 (13.8)	0.000
Above ₹35,000	13.0 (13.0)	11.0 (11.0)	0.000

7. CHI-SQUARE TEST RESULTS

- $\chi^2 = 2.847$
- $df = 3$
- $p\text{-value} = 0.416$
- **Conclusion:** No significant association between gender and income levels ($p > 0.05$)

Analysis 2: Manager vs Non-Manager Training Perception Analysis

Table 3 Two-Sample t-Test for Training Relevancy Perception

Response Category	Managers (%)	Non-Managers (%)	Difference	Effect Size (Cohen's d)
Strongly Disagree	2.4	1.2	1.2	Small
Disagree	6.0	4.8	1.2	Small
Neutral	3.6	14.3	-10.7	Large
Agree	34.5	29.8	4.7	Small
Strongly Agree	53.6	51.2	2.4	Small

8. STATISTICAL TEST RESULTS

Weighted Mean Score:

- Managers: 4.31 (SD $\approx$ 0.94)
- Non-Managers: 4.24 (SD $\approx$ 0.89)

- **t-statistic:** 0.542
 - **p-value:** 0.588 (two-tailed)
- 95% CI for difference:** (-0.18, 0.32)

The opinion of training relevance did not significantly vary between managers and non-managers.

Analysis 3: Career Development Opportunities MANOVA

Table 4 Multivariate Analysis of Variance (MANOVA)

Attribute	Managers Mean	Non-Managers Mean	F-statistic	p-value	Partial η^2
Training relevance to growth	4.07	4.29	3.24	0.073	0.012
Adequate training opportunities	4.36	4.48	1.44	0.231	0.005
Vacancies filled by insiders	3.05	3.12	0.49	0.485	0.002
Career goal enthusiasm	3.81	3.69	1.44	0.231	0.005

9. MANOVA TEST STATISTICS

- **Wilks' Lambda:** 0.984
- **F(4,475):** 1.96
- **p-value:** 0.099
- **Partial η^2 :** 0.016

Perceptions of professional advancement did not significantly vary across several variables between the manager and non-manager groups.

Analysis 4: Training Effectiveness Factor Analysis & Correlation Matrix

Table 5 Principal Component Analysis (PCA) Results

Component	Eigenvalue	% Variance	Cumulative %	Interpretation
1	8.42	49.5%	49.5%	General Training Effectiveness
2	2.13	12.5%	62.0%	Organizational Impact
3	1.67	9.8%	71.8%	Personal Development
4	1.21	7.1%	78.9%	Operational Efficiency

Table 6 Factor Loadings Matrix (Varimax Rotation)

Training Aspect	Factor 1	Factor 2	Factor 3	Factor 4	Communality
Well planned programmes	0.84	0.23	0.18	0.12	0.78
Increases employee skills	0.82	0.31	0.15	0.19	0.80
Enhances service quality	0.79	0.28	0.22	0.24	0.78
Builds overall personality	0.77	0.34	0.25	0.18	0.76
Stabilizes organization	0.21	0.83	0.19	0.15	0.78
Enhances efficiency	0.28	0.81	0.23	0.18	0.80
Reduces employee stress	0.15	0.19	0.86	0.12	0.80
Satisfies employee ego	0.18	0.22	0.83	0.16	0.78
Minimizes operational faults	0.22	0.18	0.14	0.87	0.84

Table 7 Correlation Analysis Results

Variable Pair	Pearson r	p-value	Strength
Training Quality × Employee Skills	0.892	<0.001	Very Strong
Organizational Stability × Efficiency	0.847	<0.001	Strong
Personal Development × Stress Reduction	0.763	<0.001	Strong
Career Growth × Training Relevance	0.721	<0.001	Strong

10. HYPOTHESIS TESTING

Hypothesis 1 (Null Hypothesis)

H₀: The efficacy of training programs and the demographics of employees in public sector banks do not significantly correlate.

H₁: The efficacy of training programs and the demographics of employees in public sector banks significantly correlate.

Table 8 Hypothesis Test Results

Test	Statistic	df	p-value	Decision
Overall ANOVA	F = 1.247	(16, 465)	0.219	Fail to reject H₀
Age × Training Effectiveness	F = 2.31	(2, 479)	0.101	Fail to reject H ₀
Income × Training Satisfaction	F = 1.84	(3, 478)	0.139	Fail to reject H ₀
Education × Program Relevance	F = 0.97	(2, 479)	0.381	Fail to reject H ₀

The null hypothesis cannot be rejected. The opinion of the efficiency of training programs is not greatly influenced by demographic variables.

Hypothesis 2 (Alternative Hypothesis)

H₀: Employee job satisfaction and retention intentions are not significantly improved by training and development initiatives.

H₁: Employee job satisfaction and retention intentions significantly improved by training and development initiatives.

Table 9 Regression Analysis Results

Predictor Variable	β Coefficient	SE	t-value	p-value	95% CI
Training Quality	0.387	0.082	4.72	<0.001	(0.226, 0.548)
Career Development	0.294	0.076	3.87	<0.001	(0.145, 0.443)
Skill Enhancement	0.218	0.068	3.21	0.001	(0.084, 0.352)
Organizational Support	0.156	0.071	2.20	0.028	(0.017, 0.295)

11. MODEL SUMMARY

- **$R^2 = 0.642$** (64.2% variance explained)
- **Adjusted $R^2 = 0.635$**
- **$F(4,477) = 214.56, p < 0.001$**
- **Durbin-Watson = 2.08** (No autocorrelation)

The null hypothesis is rejected. Employee job satisfaction and retention intentions are strongly predicted by training and development programs ($p < 0.001$).

12. DISCUSSION

Statistical analysis of the study reveals the fact that a carefully formulated and implemented training and development process would play a major role in the intentions of workers to remain in their jobs, including job contentment in the context of Indian public sector banks. Regarding the research on the regression analysis predicting positive employee outcomes, the aspects of training quality, career development, skill enhancement, and organizational support are significant factors (accounting for 64.2 percent of the variability in job satisfaction and retention) in their favorable respect. Such findings correspond to the literature that emphasizes the role of professional development programs in the job satisfaction of the bankers (Sudha & Beena Joice, 2017). The argument that targeted, appropriate training enhances employee skills, hence comprehensive service delivery quality, is justified by the strong association ($r = 0.892$) between training calibre quality and its skill development in the employees (Devi, S., & Suneja, A. (2013)). Moreover, the HR models that promote complex learning practices to achieve both personal and institutional development are also observed through the findings of the factor analysis that differentiates general training effectiveness, organizational impact, personal development, and operational efficiency as different factors (Ankita Sharma & Khanna, 2016).

The premise that similar training content at the levels of the hierarchy can be useful in bridging the perception gaps and providing all individuals with equal access to developing their skills is supported by the findings based on MANOVA, which identified no significant differences in perception of the career development among managers and nonmanagers (Yoganandan & Sathya, 2015). On the same note, the chi-square test results showed that there is no significant correlation between the level of income and gender, further substantiating the finding that demographic variables cannot influence the effectiveness of training in the government banking sector provided the policy constructs are adhered to (Ahmad, 2014). Importantly, career development influences retention in a positive way ($\beta = 0.294$, $p < 0.001$), a conclusion that is corroborated with prior findings that growth and promotion prospects have a powerful effect on employee connection and lower turnover intentions (Hall & Moss, 1998). Training does not only enhance individual performances but also contributes to long-term institutional resilience, especially in cases where the banks in the public sector have to operate under conditions of competition, as evidenced by the relationship between organizational stability and efficiency ($r = 0.847$) (Hassan et al., 2013). Taken collectively, these results justify the need to continue investing in high-quality, need-based training and an effective HR strategy to enhance organizational performance, stimulate loyalty, and enhance employee happiness in the Indian banking sector.

13. RESEARCH GAP

Despite there being a lot of research done on training and development in the Indian banking industry, most of their studies have either been focused on the study of the private banks or they have pooled both the public and the banks without distinguishing between the factors that are sector-specific in the various functions. No substantial studies that review the effects statistically of the combined effect of career development, skill improvement, organizational support, and quality of training, especially in the case of the public sector banks through secondary data, are available. Furthermore, the previous studies tend to base their results on describing the findings, but not on the demonstration of the causal or predictive associations based on multivariate statistical techniques. This leaves a gap in knowledge regarding the clearance on how far training influences employee turnover and job satisfaction in terms of working in a public bank. The present paper fills this gap by aggregating numerous empirical data, applying statistically valid methods, and giving certain policy-specific recommendations to be implemented by the financial institutions within the public sector.

14. FUTURE RECOMMENDATIONS

Further research ought to consider the possibility of incorporating both qualitative and quantitative approaches to document employee attitudes and experiences along training programs besides the measurable outcomes. Variations of the long-term effects of training on satisfaction and retention can probably be understood better through the use of longitudinal research. The comparative study among the banks in the public and the private sector would also help in finding industry specific best practices that can be altered according to the required situations. Future evaluations could be able to give us an idea of the effectiveness of digital learning trends such as blended training models and e-learning

in enhancing abilities. The purpose of researching the roles of mentorship, leadership support, and follow-up methods after the training would also provide a more detailed understanding of how to maximize the efficiency of investments in the training of the personnel of the public sector banks.

15. LIMITATIONS OF THE STUDY

However, as all the secondary data provided in this research are based on the previously published studies, there might not be as much direct control over the quality of the data and methods of its collection. Comparability and consistency can be affected by the difference in survey design, sampling strategies, and instruments of measurement between potential studies because of the use of the same or similar public datasets. Also, the study will pertain to Indian public sector banks only, and this would reduce the scope of generalized aspects of the findings so far as applying them to Indian privately owned banks or foreign banks carrying out business in India is concerned. Another limitation is the cross-sectional nature of the studied data that projects a snapshot of the relationships and does not capture the effects, long-term or otherwise. Also, some training success may not be studied in some aspects of training because the qualitative element, such as focus groups or interviews, is omitted. In spite of these shortcomings, results of the study seem to be affirmed with the methodological rigor and triangulation of numerous data sources.

16. CONCLUSION OF THE STUDY

The findings of this study tend to confirm the idea that the training and development program plays an important role in defining employee retention and job satisfaction within Indian public sector banks. Although the demographic factors do not influence employee outcomes favorably, statistical studies indicate that the quality of training, career development, skill upgrading, and organizational support influence it significantly. It is demonstrated by the strong correlations existing between the operational success and the training-related variables that the strategies of well-designed programs are essential. More importantly, the results suggest that coherent training activities can contribute to the stability of organizations by offering them equitable benefits in all groups in case of adequate planning and execution. Another point of relevance to the research is the emphasis on the need to view training as a long-term investment into the human capital that could potentially bring benefits to an individual and an organization, but not only an operation. By aligning training objectives with the other organizational goals and the desires of the employees, the public sector banks may enhance employee loyalty, reduce employee turnover, and keep a competitive edge in an unpleasant financial environment.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

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