

ROLE OF TRAINING IN CREATING ENGAGED BANKING EMPLOYEES

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Abstract

In today's competitive world, it has become highly significant for organizations to connect and engage with employees to provide them with organizational identity. Employees are said to be engaged when their employers meet their basic needs, provide meaningful growth opportunities and also foster a sense of belongingness. Past studies have revealed that the quality of training and learning opportunities really influence the engagement of employees at workplace. Managerial practitioners and consultants are also putting efforts to improve the employee engagement through effective training and development programs. Employee training and development thus plays a key role in enhancing the loyalty and employee engagement. The purpose of this paper is to study the relationship between employee engagement and training among banking sector employees in the Jalandhar region of Punjab. The sample size for the study included 100 banking sector employees. Data was collected from employees in the banking sector through administration of suitably designed questionnaires. Correlation coefficient was calculated between training efforts and the employee engagement levels. Findings indicate that there exists a strong positive correlation between employee engagement and training and development among the banking sector employees. The findings of the study suggested that human resource manager could consider training as an important instrument for enhancing the engagement of the employees in the organization.

Key Words Employee Engagement, Training and Development, Employee Commitment, Satisfaction

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Introduction

Employee engagement is a workforce approach designed to ensure that an employee is fully involved in, and enthusiastic about, his or her work, and thus will act in a way that furthers the organization's interests. It is a measurable degree of an employee's positive or negative emotional attachment to his job, colleagues and organization which profoundly influences his willingness to learn & perform at work. Today employee engagement has become a critical element for business performance and success as it depends much on the level of employee commitment because if engaged employees are happy, they will perform better and have stability. Training and development has been found to be a highly effective tool in enhancing the employee engagement among the employees. Training in simple terms refers to imparting specific skills, ability and knowledge to employees. It is an attempt to improve current and future performance by improving performance capabilities and potential through learning, usually by changing the employee's attitude or increasing his or her skills and knowledge. The fundamental aim of training and development is to help the organization to achieve its purpose by adding value to its key resources – its employees and make it a competitive edge for organization. Earlier there were limited training programs for employees restricted mainly to on-the-job training . But now the scenario has changed, and people who've had some formal training are preferred during recruitment . Moreover, training helps in retaining talented employee and increases their morale and job satisfaction. This leads to a positive attitude of employees towards the organization. Both organization and employees are benefited by this because if employees are happy, they will perform better and this will increase the overall productivity and profitability of the firm.

Need and relevance of the study

There is undoubtedly an increase in the stress levels of employees. This may be attributed to increasing work pressure, more demanding jobs, lack of required skills or knowledge etc. which in turn is leading to decline in employee engagement. The study focuses on need of management to recognize the relationship between employee engagement and training and development which they can use in order enhance the engagement of their employees. By evaluating and re-designing training practices or methods adopted by the organization many of employee's problems can be eliminated, for example training in regard to stress management, job description

or role clarity, technical skills etc. When employees will be more confident and comfortable about their job they will be more engaged in organization and will have a positive attitude towards it.

Objective

To study the relationship between employee engagement and training and development among banking sector employees of Jalandhar region.

Conceptual Focus

Schaufeli and Bakker (2003) described employee engagement as “A sense of energetic and effective connection of employee with their work activities and they see themselves as able to deal well with the demands of their job”. In the view of Stairs (2005) employee engagement is “the degree of commitment to a particular job”. Commitment is further divided as rational and emotional where rational commitment is driven by self interest of getting some financial rewards and emotional by deeper beliefs in the job or organization. From these two commitments rational can be easily achieved but after a certain level other strategies are to be adopted to engage employees. Measure (2004) defined employee engagement as a level of commitment and involvement of employees towards their organization and its value, the primary behavior of engaged employees are speaking positively about the organization, co workers, potential employees and customers, having strong desire to be the members of organization and exerting extra effort to contribute to organization success. According to Vazirani (2007) employee engagement can be defined as “the level of commitment and involvement the employee has towards his organization and its values”. Engaged employees work with passion to give better results in order to achieve the organizational objectives since there is a two way relationship between employee and employer. Gupta (2008) depicted in his studies that a ‘satisfied’ employee is not necessarily the ‘best’ employee in terms of loyalty and productivity. It is only an ‘engaged employee’ who is intellectually and emotionally bound with the organization, feels passionately about its goals and understands the values of organization. Engaged employees who are inspired and guided by leadership, equipped with the right tools and managed by the right systems and processes deliver superior performance. Pritchard (2008) described that employee engagement in terms of “Say, Stay, strive” where say means how employees talk about their organization with

others whereas stay stands for commitment and loyalty of employees and strive means employees are willing to do anything for their organization. Further Kular et. al (2008) stated that there is a relation between people's perception about their job and their engagement. People want their job to be meaningful that creates their interest in work and enhance their performance and engagement. This study suggested that there are many factors which have an impact on the engagement level of employees such as individual differences at work, job and family stress, physical health, sharing of responsibility, feeling of being valued or involved and emotional experiences. Bakker and Bal (2010) examined that there is positive relationship between work engagement, job resources and performance. This study revealed that better job resources lead to more work engagement and increase the performance. Markos and Sridevi (2010) described that employee engagement as a harmonious and positive relationship between employer and employee, where employee is emotionally committed towards organization and work with zeal. Their study concluded that employee engagement is a totally distinct and a broader concept than job satisfaction, employee commitment and organization citizenship behavior. Organizations are therefore putting special efforts to enhance the level of engagement among their employees.

Relationship between employee engagement and training

Schneider (2003) stated that employees will feel engaged when good training is provided to them and managers provide right conditions to work. The essential condition for feeling engaged is fair treatment and a training program which is able to provide correct information about the company and to ensure employees that the ultimate goal of the company is satisfaction. According to Williams (2008) the experienced employees should provide mentoring sessions to the new hires as it will improve rapport between new and old employees. New employees will get knowledge about job, organizational objective and hands-on training from seniors which will ultimately increase the engagement of employees. Lockwood (2008) stated that there is a significant relation between employee engagement and leadership. Leadership skills of supervisors should be enhanced by providing them training which will increase the middle level employee's engagement towards organizational strategy to give better performance and achieve overall objectives of firm. Paradise (2008) stated that most of the employees feel that the quality of training and learning opportunities, frequency of training, breadth of training, peer coaching, and job rotation strongly influence the engagement level of employees. Wallece (2009) *et. al*

analyzed that if the organizations show their interest in helping employees to accomplish their work with better performance by providing them coaching or training programs according to their needs it would lead to increase in the level of engagement of employees. Further Soyars and Brusino (2009) examined that employees seek opportunities for their career and growth from their organization and proved that learning and development programs lead to engagement of employees. According to the study 65% respondents answered that quality of training and learning programs provided to them positively influence employee engagement to a high or very high extent. Supporting the same Ayer and Paul (2009) analyzed that in order to increase level of engagement the leadership skills of manager should be enhanced with training. The study found two training programs – on boarding and development plan which are key factors of building high level of engagement. On boarding ensures that employees are aligned with organization mission and priority from the starting of their work and development plan ensures that employees know what they have to do to achieve the organizational objectives. Further in Ayer and Paul (2011) added that training programs are key to employee engagement as the organizations that provide leaders with the skills and tools or techniques of training shows better performance, improve ability to hire talented candidates and increase customer retention and revenue. Study revealed that 81% of best companies provide their managers with training skills and tools in order to increase employee engagement. Whereas Karsan (2011) analyzed that training only is not sufficient to increase engagement level, development opportunities have a more positive effect on engagement level. Employees should be given learning and growth opportunities by providing mentoring, time for personal assignments or tasks, a formal career path etc. This study indicated that employees satisfied with the development opportunities are more motivated, committed and loyal towards the organization and even perform better.

Methodology

For purpose of measurement of employee engagement and training, questionnaires were administered to the banking sector employees of the Jalandhar region. The sample consisted of 100 employees from the banking sector. Primary data was obtained using the questionnaire method while the review of literature was done using the secondary data from various published sources such as websites, magazines and journals to support the findings of the study.

Instruments

To achieve the objective of the study following instruments were used:

i) Gallup Questionnaire

Measurement of employee engagement was done using Gallup survey which comprise of 12 items. It is one of the most renowned tool utilized by management consultants and academicians. Its reliability, convergent validity, and criterion-related validity have been extensively studied. It is an instrument validated through psychometric studies. Gallup Q12 survey is used with an aim to study about the level of engagement among the employees. The survey also helps in measurement of elements of worker engagement most tied to the bottom line things such as sales growth, productivity and customer loyalty. The questionnaire consist of following 12 items:

Do you know what is expected of you at work?

Do you have the materials and equipment you need to do your work right?

At work, do you have the opportunity to do what you do best every day?

In the last seven days, have you received recognition or praise for doing good work?

Does your supervisor, or someone at work, seem to care about you as a person?

Is there someone at work who encourages your development?

At work, do your opinions seem to count?

Does the mission/purpose of your company make you feel your job is important?

Are your associates (fellow employees) committed to doing quality work?

Do you have a best friend at work?

In the last six months, has someone at work talked to you about your progress?

In the last year, have you had opportunities at work to learn and grow?

ii) Training Questionnaire

A survey questionnaire on training and development was designed using the five point likert scale to examine how strongly the respondents were satisfied or dissatisfied. To eliminate or avoid faulty assumptions and flaws experts have been consulted and pilot tests were performed.

Analysis and finding

To study the relationship between employee engagement and training among the banking sector employees, Pearson correlation analysis was utilized as a statistical technique. Pearson correlation analysis revealed that there exist a strong positive significant relationship between employee engagement and training and development at $r=0.97$, $p=0.03 > 0.05$.

Discussion

From the analysis, it is clear that employee engagement is strongly related to training and development among the banking sector employees. This indicates that level of engagement and commitment among the banking sector employees is dependent on the training and development. If the organization provides right kind of skills and growth opportunities to their employees, it helps in fostering engagement among the employees both who are high performers as well as low performers. This is because employees whose work performance suffers due to poor interpersonal relationships or because of lack of interpersonal skills should be provided proper training by their superiors. Planned coaching sessions help an individual to work through issues, maximize his potential and return to peak performance. Thus, training and development has become one of the most effective way to enhance the engagement among the employees. More skilled and trained is the employee at workplace, greater is the productivity and efficiency of employees which in turn helps in increasing the engagement of the employees.

Conclusion

Today employee engagement has become holistic way of strengthening employee's bonds with organization. From addressing employee needs at lower order of Maslow's hierarchy of needs employee engagement has evolved drastically to cater to the higher needs of self esteem and self actualization. The evolved employee who is highly engaged with the organization try to make

themselves whole hearted participants in the co-creation of wealth and success. A major contribution of this study is the provision of an approach for the managers, to identify the impact of training and development on employee engagement. From the analysis, it is clear that there exists strong relationship between employee engagement and training among the banking sector employees. This implies that training and development is one of the major key drivers of employee engagement. In today's scenario with the change in technology every industry is going for business process reengineering that need good training and development practices for employees so that they will not resist changes and feel engaged in their work culture.

Future Implications of the research

This research can be further extended to study the degree of impact of training and development on the employee engagement among the banking sector employees. Further, there is scope for research to be conducted to study about the factors that influence the engagement of employees at workplace and their interrelationship with each other and with respect to engagement. Besides this, study can be further conducted to measure the relationship between effectiveness of training and development programs on the engagement of employees. This may help the management consultants to design the training module best suited to enhance and improve the retention and engagement of employees working in the organizations.

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Appendix

Training Questionnaire

Sr.No.	Statements	1	2	3	4	5
1	The organization provides adequate capacity to meet chosen training & development needs.					
2	Employees are availing training and development opportunities					
3	Job skills, knowledge & ability are considered in assessing training needs.					
4	Training needs are regularly assessed at your company					
5	There is reference library of training and development material for employee use					
6	Remedial training in literacy & basic computer computation skills offered.					
7	Organization's issues such as mission, objective, cultural changes customer orientation ,are considered in training needs					
8	Training is provided frequently					
9	Training brings results for individual as well as for organisation					
10	There is a continues evaluation of training provided					
11	You have the opportunity to do the best work					
12	Your suggestions are taken into consideration.					
13	You are given frequent chances for improving skill & job knowledge					
14	Your immediate boss encourages your work					
15	You receive the information and communication you need to do your job.					
16	You are satisfied with the stress relief programs conducted in the organisation					
17	You are utilizing your potential as a whole to the organization					
18	You are satisfied with the level of trust on your team					
19	You have the opportunities at work to learn & grow					