

APPLICATION OF COST EFFECTIVE LEARNING, TRAINING AND DEVELOPMENT METHODS: AN INVESTIGATION FROM THE PERSPECTIVE OF SELECTED COMMERCIAL BANKS IN TRINCOMALEE TOWN

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Introduction

In today's competitive business environment cost effective learning, training and development methods are most important aspects of human resources management in an organisation. Corporate managers are constantly looking for more cost-effective ways to deliver training to their employees (Strother 2002). To face the high competitive challenges in the commercial banking sector in Sri Lanka, banks have to prepare its workforce by providing required training and development. The review of learning, training and development literature highlighted many cost effective learning, training and development methods such as coaching, mentoring, on-the-job training, promotion, transfer, team work/group work, knowledge sharing practices, secondment, job enrichment, job enlargement, job rotation, department rotation, web- /on-line/internet/computer based approach, train the trainer program, employee empowerment, participative decision making, succession planning, use employee self learning opportunity, work delegation/sharing responsibilities/ authorities, workforce diversity management and e-learning (Cobble and Gurowitz 2002, Sullivan 2000, Opatha 2009, Strother 2002, Cannon-Bowers and Salas 1997, Brown 2004, Brown 2001 & McKenzie 2003), However many scholars have viewed learning, training and development efforts of an organization as a costly human resource function (Goldwasser 2001, Blandy et. al 2000, Keenan 2000 and Cross 2001). At the same time some scholars have viewed it as an investment (Lachnit 2001, Worthen 2001 and Doucouliagos & Sgro 2000). In general, banks also spending considerable amount of money for the purpose of learning, training and development of their staff annually. This situation leads to raise two possible research questions: (1) to what extent banks use the cost effective learning, training and development methods to develop their staff? and (2) what is the level of contribution of banks in learning, training and development needs of their staff? In order to align with these to research questions following research objectives were formulated.

1. To identify the practices of cost effective learning, training and development methods in the selected commercial banks.
2. To identify the contributions of banks in learning, training and development needs of their staff.

Methodology

In order to achieve the formulated research objectives, data were collected from 193 bank staff who are attached to the five (5) commercial bank branches of Trincomalee Town by using stratified random sampling method through the questionnaire. The collected data were analyzed by using univariate analysis.

The conceptual framework was constructed based on 21 (coaching, mentoring, on-the-job training, use promotion [in gain new knowledge and experience], transfer, team work/group work, knowledge sharing/practices, secondment, job enrichment, job enlargement, job rotation, department rotation, use web-based/on-line/internet based/ computer based approach as an employee, learning training and development method, train the trainer program, employee empowerment, participative decision making, succession planning, use employee self-learning opportunity, work delegation/sharing responsibilities/ authorities, workforce diversity management and e-learning) cost effective learning, training and development methods. In measuring contributions of banks in fulfilling learning, training and development needs of their staff, two key items were used. They are bank's spending or investment in improving employee learning, training and development and contribution of banks in fulfilling employee learning, training and development needs.

Five point Likert scale was used to measure the cost effective learning, training and development methods/variables considered in this study. The mean value is falling in the range of 1-5 and the value of each respondent for a variable is compared with the medium value of 3. In evaluating the samples as a whole the mean value of the respondent is compared with the medium. If a respondent's average score of an aspect is less than the mean value 2.5 ($1 \leq X \leq 2.5$) it is assumed that the respondent feel low level in relation to the particular variable. If a respondent's score falls $2.5 < X \leq 3.5$ range, that is assumed as moderate level and score falls $3.5 < X \leq 5.0$ range that is assumed as high level.

To test the instrument's reliability, researchers used Cronbach's coefficient alpha on a sample of 193 respondents. All two constructs show a high level of reliability: application of cost effective learning, training and development methods (0.894) and contribution of banks in fulfilling learning, training and development needs of employees (0.735).

Discussion and Conclusion

The results of this study showed that the overall level of usage of cost effective learning, training and development methods of commercial banks in the study area is in moderate level (mean value 2.78). Relatively, employees of all selected banks have same opinion among themselves regarding the extent to which banks are practicing cost effective learning, training and development methods. The overall level of contribution of banks in learning, training and development needs of their staff is also in moderate level (mean value 3.31). Findings of this study indicates that commercial banks are not fully utilized the cost effective learning, training and development methods and from the employees perspective, there is a gap between the expectation of employees and contributions made by the banks in fulfilling employees learning, training and development needs. This paper provides considerable insights (originality/value) besides the argument of whether learning, training and development efforts of the commercial banks are costs or investments and also highlight the necessity of cost effective employee learning, training and development practices.

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