A STUDY OF THE MANAGEMENT TRAINING AND DEVELOPMENT SYSTEM IN PEOPLE'S BANK

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ABSTRACT

Globalization and open economy have transformed many business organizations in Sri Lanka including the banking industry. This ever-changing environment poses varied challenges to the managers of banking organizations. Within organizations there is now a growing awareness that the managerial role has become a critical component in business strategies designed to deliver competitiveness, change and renewal. Many organizations are now beginning to discover and appreciate the significance of training and development as a key process in delivering organizational transformation and success.

An effort is made in this paper to establish the importance of management training and development in People's Bank. Although the bank is the second largest bank in deposits and advances, individual productivity of the staff of the bank is lower, when compared with another four domestic commercial banks. Ineffective management training and development system has been identified as the main problem for this low productivity. Hence this paper revolves around creating high esteem managers through effective training and development system for managerial staff. When we develop managers we develop the organization. Successful individuals breed successful organizations.

The objective of the study is to study the present training and development system of managerial staff of the bank and to identify the important issues and to suggest suitable recommendations to make the system more useful. Interview with the training manager and responses of sample managerial staff for the questionnaire were the main method of inquiry. The management training and development practices of two competing banks are also compared in this study.

The key findings with regard to the training and development of managers of the bank are, (1) lack of strategic focus, (2) lack of top management commitment, (3) non consideration of the managerial competencies available with the bank and the requirement of banking industry by the top management, (3) sidelining of senior and older managers, (5) resistance by managerial staff for development programs, and (6) lack of material benefits and motivation for participants.

The key recommendations are (1) Development of new policy, (2) integration of other HR functions with management training and development, (3) formation of a steering committee, and (4) Change in the Organizational structure.

It is necessary that a revised Management Training and Development System is necessary to achieve the business objectives of the Bank. It also gives direction to move towards a particular target and consolidate the efforts of every one to achieve those objectives. It is vital for the bank to take some serious steps to improve the managerial efficiency through an improved Training and Development System.