

SCENARIO OF E-BANKING TRAINING AS A TOOL OF TALENT MANAGEMENT: A STUDY ON SELECTED PRIVATE COMMERCIAL BANKS OPERATING IN DHAKA METROPOLITAN CITY

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Abstract

Talent management is pivotal for attracting and retaining talent employees in the organization and to sustain in competition. E-banking has become essential concomitant technique to make organizations efficient to compete, and training on e-banking is the only method by which employees can be made competent. The study tries to explore the present scenario of e-banking training in selected commercial banks. A structured questionnaire of 12 items was used to collect data from 120 sample respondents. The data were analyzed by using SPSS (Version 20.0) and the study found lack of IT experts, reluctance of the participants to take training due to lack of financial rewards, and inadequate e-banking training opportunities both in home and abroad are the deterrent to develop e-banking competence among employees. To overcome these flaws, highly facilitated e-training centers, supply of qualified IT experts, adequate financial rewards and incentives, training in both home and abroad, and mandatory participations for all employees in e-banking training are to be ensured to make talent management a success.

Key words: Information technology (IT), Talent management, Training, e-banking, Human resource management

Introduction

Human resource management experts opined that achieving sustainable organizational performance, talent management works as a key. This process involves finding, allocating and retaining the 'core talent' employees – generally, a small portion of the total employee pool. This small portion has serious impact on organizational growth and performance and also arouses others to perform. So, they must be retained through proactive management (Berger and Berger, 2004, 4). The authors also included a statement of Bill Gates, where he said, Microsoft would be nothing, if someone took its 20 best employees.

In a fast-growing economy like Bangladesh, an efficient and sustainable banking system is a key for the economy to keep up its growth pace. As a result of fast technological advancement, e-banking is one of the most widely used technique in modern banking era, where the banking is now anytime and everywhere. Banks are adopting the new features in their e-banking services on a regular basis. Therefore, e-banking is increasing immense dependency on the technology for delivering banking solutions. The day is incredibly near when people will bank just by their handset by sitting in their residence. It is time to build pool of talent and manage them in proactive ways, in order to merge their competencies with the present and upcoming banking revolution. Apart from all, the role played by the banking sector requires an appropriate talent management.

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Talent Management : The Concept

Talent management refers to the management and development of high performing and high potential personnel, who perform critical roles in the organization (Al Aris, Cascio, & Paauwe, 2014; Scullion, Collings, & Caligiuri, 2010; Sparrow, Scullion, & Tarique, 2014). Talent management is the process of guarantying the needed talented people of an organization and involve with a set of activities which intends to protect the stream of talent in an organization and consider those talents as a key corporate resource (Armstrong, 2009). Talent refers to those employees who can make a difference either through their contribution or through demonstration of their potentials (CIPD, 2007). A high-performing workforce refers to a group of people with some special expertise and skills who are goal oriented and focused in producing superior outcomes for the organization (Cheese, Thomas, and Craig, 2007). They further said that the managers tend to consider talent management as a strategic property and as a result, to develop such high-performing personnel, human resource departments often heavily emphasize on performance management, supported by rewards and incentives. They again said that this perception of talent management leads to train competent leaders and the top-rated companies often have one thing in common; they are more focused on developing leadership for which they set-up modern training centers, learning campuses and enable the use of modern tools and techniques. Swanson & Holton (2009) opined that human resource development focuses on mounting and unleashing capability for developing individual, team, work process and organizational system performances. Talent management is wide-ranging, starting from managing star performers (Lewis and Heckman, 2006), using data and analytics to update decisions regarding talented employees (Vaiman et. al. 2012), to identifying key positions (Collings and Mellahi, 2009). Collings and Mellahi (2009) said talent management is the combined activities and processes that help to identify the key roles and develop a pool of highly potential incumbents to fill these roles, who are highly committed to work in their own ways to help the organization in achieving competitive advantage.

Literature Review

Cappelli (2008) argued that modern organizations are now enduring pain for inefficient talent management and they failed mainly for two reasons: first, not to anticipate at all, that is, doing nothing i.e. it means the term talent management has become meaningless and handled by reactive approach. Secondly, use of outdated and inaccurate legacy system: a complex bureaucratic models from 1950s for forecasting and succession planning. He also suggested that a supply chain perspective of talent management mainly depends on four principles: (i) make and buy to manage risk, (ii) adapt to the uncertainty in talent demand, (iii) improve the return on investment in developing employees, and (iv) preserve the investment by balancing employee-employer interests.

Due to technological advancement, banking industry has gone through some incredible changes. Along with that, a new banking channel, namely, Electronic Banking (E-banking) has emerged for product and service delivery (Bakare, 2015). He also stated that e-banking has resulted in improved service quality and customer relationship as well as reduced overall operational cost of the organization.

Information technology has become a fundamental importance to banks worldwide, as it has a positive impact on employees' performance and customer satisfaction. Now with the help of online banking, it is easier to manage all banking needs 24 hours a day, 7 days a week. Any computer or smart phone with an internet access will be enough to provide banking solutions (Hossain et. al., 2013). They said there is no alternative to implementing electronic banking system by the commercial banks. Otherwise, it will be difficult for the commercial banks to adjust with the dynamically shifting banking world without the assistance of proper talent.

However infrastructural, institutional and regulatory constraints are creating trouble in the way to the expansion of e-banking, particularly in Bangladesh (Rahman, 2008). He pointed that nonexistence of proper training facilities and the lack of skilled workforce are considered most critical constraints in today's banking industry. He also stated that with reference to Bangladesh in particular, the commitment to build a "Digital Nation" at the government level has substantially increased the pressure on the scheduled banks to adopt technology driven e-banking on a greater scale. According to him, it is necessary to acquire talent according to the necessary skills to get the job done.

It must be realized by the banks in Bangladesh that a smooth functioning e-banking mostly depends on skilled operational personnel (Hossain et. al, 2013). They suggested that talented employees should be managed and nourished with extensive training in order to sell various products to customers through e-banking. Regular hands-on training on cutting-edge issues must be offered by the banks to enable the employees to excel in efficiency and effectiveness in e-banking (Bakare, 2015). He opined that it will not only help to deliver banking functions but also to educate the conventional, less tech-oriented customers towards e-banking.

As regulator, Bangladesh Bank, the central bank of Bangladesh, may consider familiarizing the bank officials on the analysis of costs and benefit, present status, opportunities and challenges of e-banking, by arranging short and long training programs (Rahman, 2008). He urged that personnel in banks should be trained to strengthen the ICT department, alongside generally educating all the employees in basic ICT related matters.

Now, there exists a need for a study to explore the present conditions of e-banking competitiveness of the banking sector which can be promoted by giving e-banking training to employees and update them with the latest version of e-banking. The study discovers how training is used to promote e-banking competence among employees as one of the tool of managing talent in the banks.

Statement of the problem

Bangladesh banking sector historically falls short to consider the e-banking related training as one of an ideal tool of talent management. Till date, few researches have addressed the issue of talent management in the banking organizations in Bangladesh, with respect to training on e-banking in particular. This research aims to fulfill this research gap. The paper particularly focuses on training as a tool of talent management in the context of e-banking.

Objectives of the Study

The study explores three key aspects: first, the current status of training of employees regarding e-banking; second, challenges to talent management regarding e-banking training, and finally, necessary measures to improve talent management in e-banking through proper installation of training programs.

Limitations of the Study

The study centers on some selective branches of Dhaka metropolitan - based private commercial banks of Bangladesh. It is based on the perception of the employees which may vary over the time. So, a broader study will complement the results.

Methodology of the Study

The study is an exploratory research, as no such studies made earlier. Nonprobability sampling method is used as there is no sampling frame. A total number of 58 banks are operating in Dhaka metropolitan city from which 6 banks have been selected purposively. These 6 banks are NRB Commercial Bank Ltd., Dutch Bangla Bank Ltd., IFIC Bank Ltd., United Commercial Bank Ltd., City Bank Ltd., and Bank Asia Ltd. From 158 branches of these six banks operating in Dhaka metropolitan city, 20 branches were drawn conveniently. In these 20 branches total 380 officials were working which consisted the population from which 120 sample have been collected purposively. A 12-item questionnaire with both open ended and close ended questions were constructed based on literature review, taking opinion from experts and from prospective respondents. The questionnaire was delivered through personal visit, and email to respondents. The questionnaire used a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) to measure respondents' responses. Secondary data were collected from various articles, national and international journals, doctoral theses, periodicals, and different online sources.

The data were analyzed through using SPSS 20.0 where questionnaire data were transferred for generating required statistical analysis. The data were labeled as 'Strongly disagree = 1', 'Disagree = 2', 'Neutral = 3', 'Agree =4', and 'Strongly agree = 5'. Frequency distribution, Mean, Standard Deviation, Cronbach's Alpha were used to analyze the data. The reliability of the items was verified by using the Cronbach's alpha. The Cronbach's alpha estimated for all the variables was .608. As the Cronbach's alpha was much higher than .6 the constructs were therefore deemed to have adequate reliability.

Analyses and Findings

The data are presented in various tables followed by discussion and interpretations as follow:

Availability of e-banking Services:

This study found that all banks are familiar with e-banking techniques and use multiple types of e-banking tools. The table -1 exhibited the types of e-banking services that are practiced by the 20 branches of 6 sample commercial banks operating in Dhaka metropolitan city.

Table 1. Types of e-banking technique used by the 20 branches of 6 sample banks in Dhaka Metropolitan city in the year 2017

Sl.	Forms of e-banking services	No. of banks using in 2017	Percentage of using e-banking service
1	ATM (Automated Teller Machine)	20	100%
2	SMS Banking	17	85%
3	EFT (Electronic Fund Transfer)	15	75%
4	Virtual Banking	13	65%
5	Internet Banking and WAP (Wireless Application Protocol)	20	100%
6	Any branch banking	15	75%
7	Tele banking	20	100%
8	POS (Point-of-Sale)	20	100%
9	SWIFT (The Society for Worldwide Interbank Financial Telecommunication)	19	95%
10	Call center	20	100%
11	Remittance	17	85%

The above table shows that most of the sample branches of the selected six banks are practicing e-banking techniques. 100% sample branches have ATM, internet banking and WAP, tele banking, POS, and call center; 95% of the sample branches have SWIFT; 85% of the sample branches are providing e-banking services like SMS banking and remittance; 75% of the sample branches provide services like EFT and 'any branch banking'; and 65% of the sample branches are giving virtual banking service to their respective customers and clients. It is clear from the table that most of the branches of sample banks are now e-banking oriented.

Availability of Training for Talent Development and for e-banking

Table 2 exhibits that the total number of training offered by these six sample banks was 777 in which only 47 were related to e-banking training. It shows that only 6.06% training covers the area of e-banking.

Table 2: Number of training for talent development and for e-banking training given by the sample banks to employees in the year 2017

Sl.	Name of the Bank	Number of Training Program offered	Number of Training Program on e-banking
1	NRB Commercial Bank Ltd.	88	4
2	Dutch Bangla Bank Ltd.	197	8
3	IFIC Bank Ltd.	167	6
4	United Commercial Bank Ltd.	110	7
5	City Bank Ltd.	112	10
6	Bank Asia Ltd.	103	12
	TOTAL	777	47

It is understood that a very meager number of e-banking training is offered to the officials of the banks. It also reflects that the essentiality for undertaking such e-banking training has been neglected by the top management. It will affect the competence and compatibility of the banks to cope with rising technological challenges.

Demography of Respondents

The respondents are taken from diversified sets of officials. The table 3 shows that 65.83% of the respondents were male and the rest 34.17% were female. 31.67% of the respondents belong to the age group 25-35, 45.83% belong to the age group 35-45 and the rest represents respondents having above 45 years of age. Majority of the respondents (70.83%) are having post-graduation degrees. The table also represents that 22.50% officials are in entry level, 54.17% officials are in mid-level and the rest 23.33% officials are in top level. The respondents are having working experiences ranging from less than 7 years to above 15 years in their respective banks.

Table 3: Demographic Information of the Respondents (N=120)

Gender		Number of respondents	Percentage
Male		79	65.83%
Female		41	34.17%
Respondents' Age			
25-35		38	31.67%
Between 35-45		55	45.83%
More than 45		27	22.50%
Respondents' Educational level			
Graduation		14	11.67%
Post-Graduation		85	70.83%
Others Higher Degrees		21	17.50%
Respondents' Working Organizations (20 sample branches)			
NRB Commercial Bank Ltd. 4 branches from 16		12	
DBBL 4 branches from 39		28	
IFIC Bank Ltd. 3 branches from 24		20	
United Commercial Bank Ltd. 3 branches from 31		25	
City Bank Ltd. 3 branches from 22		15	
Bank Asia Ltd. 3 branches from 19		20	
Respondents' Designations			
Entry level officer		27	22.50%
Mid-level officer		65	54.17%
Top level officer		28	23.33%
Respondents' Years of experiences			
Less than 7years		21	
8-15 years		76	
More than 15 years		23	

Respondents having e-banking Training

From the table 4, it can be noticed that 80 out 120 respondents have undertaken e-banking training. That is one third of the officers do not have any e-banking training. This would be a thwart to talent development and future placement of human resources in right places.

Table 4: Number and percentage of participation by the respondents regarding e-banking related training

Participation in e-banking training		No. of Respondents	Percentage of participation in e-banking training
	Respondents undertaken e-baking training	80	66.67%
	Respondents did not get any e-baking training	40	33.33%

Views of Respondents who have undertaken e-banking Training

The views of respondents regarding various issues related to e-banking training who have undertaken such training are presented in table 5.

Table 5: Opinion of the respondents toward e-banking training and others related issues who have undertaken e-banking training (N=80)

Statements	No. of Employees Responded				
	SA	A	N	D	SD
1. E-banking training is essential for managing talents in a bank.	16 20%	30 37.5%	13 16.3%	14 17.5%	7 8.7%
2. Bank is offering adequate e-banking training to their employees.	06 7.5%	20 25%	9 11.3%	24 30%	21 26.2%
3. Bank keeps up to date information regarding technological changes.	9 11.2%	18 22.5%	14 17.5%	24 30%	15 18.7%
4. Employees are satisfied with the performance of the IT experts.	7 8.8%	14 17.5%	7 8.8%	29 36.2%	23 28.7%
5. Employees are satisfied with the current IT infrastructure.	10 12.5%	15 18.7%	9 11.3%	28 35%	18 22.5%
6. Employees are encouraged to participate in decision making regarding training programs.	10 12.5%	17 21.3%	29 36.2%	15 18.7%	9 11.3%
7. Bank authorities design training programs based on the necessities of the employees	19 23.7%	23 28.7%	25 31.3%	8 10%	5 6.3%
8. Employees voluntarily participate in training program.	17 21.3%	19 23.7%	20 25%	16 20%	8 10%
9. Bank offers financial rewards to the employees to participate in the training program.	7 8.7%	9 11.3%	16 20%	32 40%	16 20%
10. Bank sends employees in foreign training.	7 8.7%	15 18.8%	10 12.5%	38 47.5%	10 12.5%

57.5% respondents agreed that e-banking training is essential for them, 16.3% respondents were neutral, and 26.2% respondents disagreed on this issue. It is clear from the survey result that the respondents are not satisfied with the number of e-banking training offered by their particular banks. 56.2% of the respondents have

disagreed about having the adequate e-banking training; 11.3% of the respondents were neutral, where only 33.5% of the respondents agreed with the issue. 48.7% respondents disagreed of having updated information regarding technological change, 17.5% were neutral, and 33.7% agreed on having up to date technological information. Regarding satisfaction with the quality of IT experts 64.9% respondents disagreed, 8.8% respondents were neutral, and 26.3% of the respondents agreed with the statement. Similarly regarding the quality of the IT experts, a huge pool of respondents denied of having proper training infrastructure. About 58.7% of the respondents disagreed on having proper IT infrastructure in their respective banks, 11.3% of the respondents were neutral and 31.2% of the respondents agreed on this issue. Regarding participation in decision making about training issues 36.2% respondents were neutral, 33.8% respondents agreed, and 30% respondents disagreed about this fact. Majority of the respondents agreed that they voluntarily participate in training programs. Regarding getting financial rewards from the banks 60% respondents disagreed, 20% respondents were neutral, and only 20% respondents agreed on this issue. Again, regarding the training opportunities in abroad the 60% of the respondents disagreed with the statement, 12.5% of the respondents were neutral about the fact, and 27.5% respondents were positive about the fact.

Based on the survey result it can be noticed that the respondents have given positive remarks on the issues like necessity of e-banking training, their voluntary participations in training programs and designing training programs based on the employees current needs; whereas the respondents were not satisfied with the issues like, adequate e-banking training, keeping up to date technological changes by the banks, qualified IT experts, IT infrastructure, financial rewards for participating in the training programs and foreign training opportunities. So, there is a wide range of issues to be dealt with to improve the e-banking training effectiveness.

Challenges to e-banking Training

It is found from the study that several of challenges are faced by the respondents while getting e-banking training. Based on ranking order given by the respondents, table-6 shows that lack of proper IT experts, absence of financial rewards for attending training, inadequacy in offering e-banking training, inappropriate IT infrastructure, little or no opportunities for foreign training and inadequate fund for e-banking training are the most vital issues that must be considered by the top management of the sample banks if they want to build an appropriate pool of talents.

Table 6: Challenges to e-banking training found from the opinion of the respondents

Major Challenges	Ranking based on the opinion of the respondents
Lack of proper IT experts	1
Absence of financial rewards for attending training	2
Inadequacy in offering e-banking training	3
Inappropriate IT infrastructure	4
Little or no opportunities for foreign training	5
Inadequate Fund for e-banking training	6

As the banking sector are now moving express toward digitalization, lack of adequate e-banking training are not offered due to proper fund allocation. Most of the respondents addressed that they feel apathy to participate in e-banking training, as there is no financial rewards for attending such training. The study shows that even though the officials of several banks are provided with some theoretical training, the banks cannot afford to provide applied training just because of not having proper IT equipment, specialized training centers, and practical experiences. Again, top management does not feel encouraged to send their employees abroad for training.

Conclusions and Recommendations

E-banking training is a fundamental tool for talent development. As training and development are part of talent management, banks should design training programs by acknowledging the emerging e-banking practices. The study found several major challenges to e-banking training that need to be considered for appropriate talent management. Otherwise these challenges are going to hinder the overall performance of banking sector. The following recommendations can ensure proper talent management through e-banking training:

- Infrastructural and institutional constraints are creating problem in the expansion of e-banking. Lack of proper IT infrastructure and IT experts are considered as crucial constraints in the way of proper talent management with the help of e-banking training, as others observed the same. (See Rahman, 2008). Training on e-banking requires various technical educations which can be offered without difficulty by establishing in-built training house.
- Most of the time training programs are scheduled on the weekend. If financial benefits are offered, the employees will feel motivated to participate in such training on weekend. Sometimes human resource department emphasizes on financial incentives and rewards as a best option to develop high performing personnel. It is also recommended by other experts too. (See Cheese, Thomas, and Craig 2007).
- Banks should send their key employees to foreign training for learning latest techniques of e-banking. Those who will get chance to avail foreign training, can come back later and help others in developing such technical skills.
- Last but not the least, adequate hands-on e-banking training on cutting-edge issues must be offered by the banks to enable their employees to excel in efficiency and effectiveness in e-banking. It can help the banks to preserve the investment by balancing employee-employer interests. Cappelli, (2008) gave the same comment.

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