



Influence of Soft skill training on Employee Performance – A comparative analysis of workforce from Private and Public Banks

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Abstract

In keeping with the demands of a globalized and highly competitive business environment, the banking sector, like all major sectors, has experienced a business metamorphosis. Soft skills are one of the most important elements to consider during the transfer. Employees that are trained in this area become a competitive force in terms of providing effective service. Indian public sector banks (PSBs) and private banks are confronting several issues in retaining and expanding their customer base in the post-liberalization period. Finding an economically feasible solution for financial inclusion, innovation, human resources, and customer relations are among the hurdles. This study examines the impact of soft skill training on employee performance in both private and public sector banks. The staff of chosen branches of private and public sector banks in the city of Belagavi was the respondents for this research study. Soft skill training has a favourable impact on employee performance in the course of fulfilling their jobs. Data for the research was obtained using a structured questionnaire and analyzed using SPSS 25.0

Keywords: Soft Skills, Training, Business Environment, Employee performance, Banks & Banking.

1. Introduction

The phrase "soft skill" was coined in 1972, but it did not catch on until the early 1990s. Soft talents, according to Moss and Tilly, are "personality, attitude, and behavior-related skills, abilities, and attributes rather than academic or technical knowledge." Over the last three decades, a rising amount of research and evidence has emphasized the importance of soft skills. Soft skills have become a vital attribute for individuals in the corporate world, regardless of sector, to effectively manage their duties. To succeed in this competitive period, today's professionals must have a high soft skills quotient in addition to formal, professional qualifications and domain expertise (Jessy, 2009). Hard talents account for only 15% of a person's success, whereas soft skills account for the remaining 85%. (Watts and Watts, 2008). Individuals with strong interpersonal and self-management skills have a higher rate of employment success, according to studies.

Soft skills may be learned efficiently, according to research, and studies have found a variety of best practices for teaching them (Bush, 2012). Organizations can promote success, growth, and a higher return on their training expenditure by prioritizing soft skills. We looked at utility judgment first among the relevant individual factors. When a participant returns to work, this variable refers to his or her subjective assessment of the training received (Alliger et al., 1997). According to Kirkpatrick (1994), utility judgment, along with satisfaction, is the initial level of evaluation of a training method's efficacy. However, research has found that utility evaluation is positively associated with the

transfer, in contrast to satisfaction (Alliger et al., 1997; Axtell et al., 1997). Indeed, research has shown that participants who believe the training would help them advance in their careers or jobs are more motivated.

1.1 Prominent Soft Skills

Communication Skills	Conflict Management
Self-Management	Cultural Awareness
Time Management Skills	Common Knowledge
Critical and Structured thinking	Responsibility
Creativity	Courtesy and Self Esteem

Table 1 – List of prominent soft skills

2. OBJECTIVES OF THE STUDY

A present study undertaken aims to seek out influence of soft skills on employee performance, the study pertains to the performance of employees in service organizations, Service Quality is the defining parameter in the service sector, employees' contribution towards service quality is going to be assessed, the study considers Soft skills as an experimental variable, Employee Performance as a variable, Imparting training because of the moderating variable.

1. To determine the relationship between soft skills and success in the workplace.
2. To understand the impact of soft skills training on employee performance.
3. To determine whether employee performance is dependent on soft skill training
4. To ascertain the benefits of soft skills for personal development

3. TRAINING EVALUATION

Training term per se sounds age-old and familiar, etched even on a layman's mind as a process where people are taught something, however, we all should be apprised about mutations it has undergone owing to an array of reasons, changing business trends have influenced the way people are trained today, the word training is gradually getting replaced with the much-touted learning, to feel the impact factor. Video training, online training, Tele-training, social network interface training, etc, are the buzzing trends, the changing scenario of these various methods may be attributed to a host of factors namely the IT revolution, changing economic conditions market conditions, globalization, privatization, etc. Today MNCs are typically characterized by a paucity of time and expect the new incumbents to hit the ground running, and produce impulsive and palpable results; hence the desire of top management to save training expenditure on imparting basic skills also influences the recruitment approach of the company. The emphasis today is on time and cost for training and its correlation with the impact of training. ROI (Return on Investment) on training has become an inevitable issue to contemplate, owing to a bag full of reasons like reducing profit margins, ever-changing customer demands and choices, declining customer loyalty, cut-throat competition, employee attrition, etc. hence the top management / CEOs are circumspect to invest huge money on training, which makes them apprehensive about the outcome of training being against their favor. Outsourcing a training function in various domains is seeing frequent hopping from one service provider to the other, the reasons for this being ROI and impact of training.

According to Uday Pareek & Rolf Lynton in a book titled “**Training for organizational Transformation**”, Training needs across sectors and organizations are triggered because of three crucial reasons.

- a. Outwardly changes in the business scenario, situations & styles.
- b. Making up for deficiencies and shortfalls to ensure the firm does not lag and is able well spruced up to face competition.

- c. Overcome cultural differences and educational backgrounds.

It is advised that an evaluation method is in place to assure the organization's training efficiency. Through his "Evaluation Training Model," Donald Kirkpatrick, an American practitioner, and training consultant, provides significant insights into the evaluation process. Patrick's model is built around four variables.

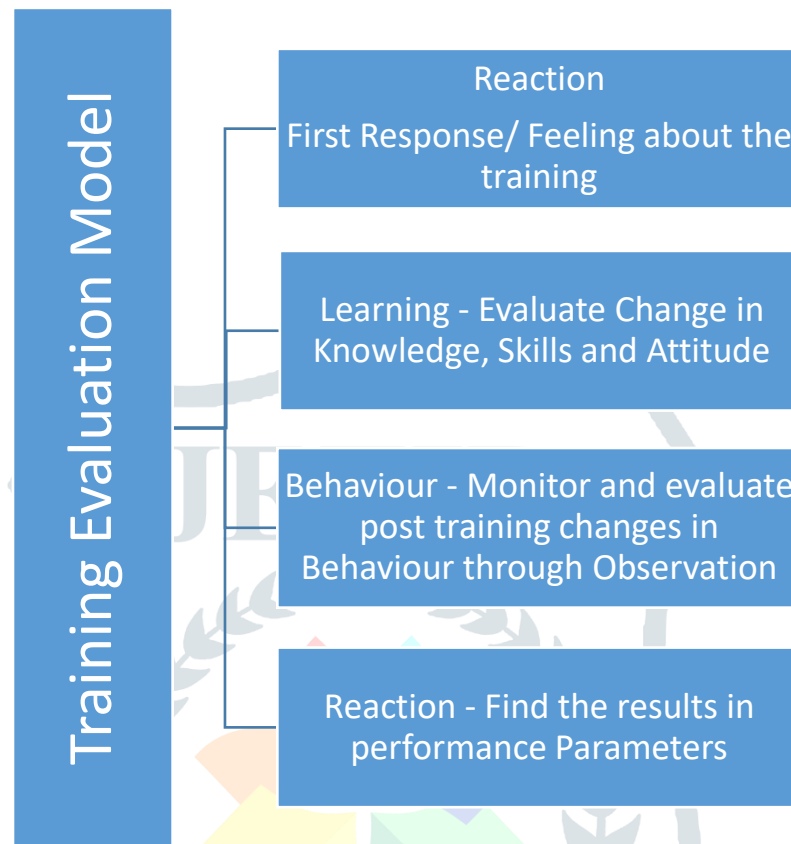


Figure 1

Source: Kirk Patrick's Training Evaluation Model

4. Hypothesis

- H1:** Overall Soft skill training linear relationship with Employee soft skill development (Public & private banks)
H2: Soft skill trainer ability linear relationship with Employee soft skill development (Public & private banks)
H3: There is a significant difference in ESSD* among Public and Private Sector Banks.

(*employee soft skill development)

5. CONCEPTUAL FRAMEWORK OF THE STUDY

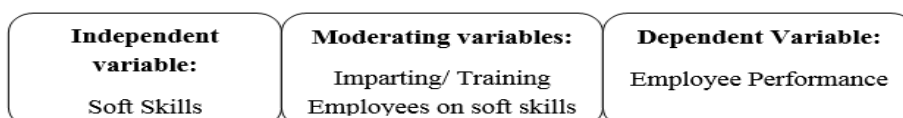


Figure 2 – Conceptual framework

5.1 ANALYSIS, RESULTS & DISCUSSION

Analysis was done using statistical tools used as Correlation, Regression, Anova, Paired T-test

H1: The overall soft skill training has a positive linear relationship with ESSD in private sector banks.

Table 2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.508 ^a	.258	.232	.22617

a. Predictors: (Constant), Overall Training

Table 3 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.498	1	.498	9.741	.004 ^b
1 Residual	1.432	28	.051		
Total	1.931	29			

a. Dependent Variable: Emp Soft Skill Development

b. Predictors: (Constant), Overall Training

Table 4: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.710	.762		2.246	.033
Overall Training	.603	.193	.508	3.121	.004

a. Dependent Variable: Emp Soft Skill Development

Inference:

A simple regression analysis was conducted to determine the relationship between the overall soft skill training and ESSD in private sector banks. This overall regression model produced an R^2 of .25 which means that the overall soft skill training explained 25% of the variance in the dependent variable ESSD in private sector banks. The overall model was significant, $F(1, 28) = 9.741$, $p < .05$ and it accounted for 25% of the variance. The results indicated that overall soft skill training in private sector banks ($\beta = .508$, $p < .05$) was having a statistically significant and positive relationship with the ESSD. The strength of the relationship between the overall soft skill training ($\beta = .558$) and ESSD was also found very high. (Evident through table 1, 2, 3)

H2: The dimensions of soft skill training (training methodology & trainer's ability) have a positive linear relationship with ESSD in private sector banks.

Table 4 Model Summary

Model	R	R Square	Adjusted R Square
1	.535 ^a	.286	.233

a. Predictors: (Constant), Trainers Ability, Training Methodology

Table 5 ANOVA^a

Model	Sum of Squares	df	Mean Square	F
Regression	.553	2	.276	5.416 ^b
1 Residual	1.378	27	.051	
Total	1.931	29	Total	

a. Dependent Variable: Emp Soft Skill Development

b. Predictors: (Constant), Trainers Ability, Training Methodology

Table 6 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.715	.761		2.255	.032
Training Methodology	.452	.149	.495	3.042	.005
Trainers Ability	.148	.128	.187	1.151	.260

a. Dependent Variable: Employee Soft Skill Development

Inference:

A multiple regression analysis was conducted to determine the relationship between the dimensions of soft skill training and ESSD in private sector banks. This overall regression model produced an R^2 of .28 which means that all dimensions of soft skill training explained 28% of the variance in the dependent variable ESSD in private sector banks. The overall model was significant, $F(2, 27) = 9.741$, $p < .05$ and it accounted for 28% of the variance. The results indicated that training methodology ($\beta = .495$, $p < .05$) has a positive linear relationship with ESSD in private sector banks, whereas, trainers ability ($\beta = .187$, $p > .05$) showed no significant relationship with ESSD in private sector banks (Evident through table 4, 5, 6).

H1: The overall soft skill training has a positive linear relationship with ESSD (Employee Soft skills development) in public sector banks.

Table 7 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.486 ^a	.236	.209	.27727

a. Predictors: (Constant), T_Mean

Table 8 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.666	1	.666	8.661	.006 ^b
Residual	2.153	28	.077		
Total	2.819	29			

a. Dependent Variable: ESSD_Mean_Public

b. Predictors: (Constant), T_Mean

Table 9 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	2.110	.693		3.044	.005
	T_Mean	.513	.174	.486	2.943	.006

a. Dependent Variable: ESSD_Mean_Public

Inference:

A simple regression analysis was conducted to determine the relationship between the overall soft skill training and ESSD in public sector banks. This overall regression model produced an R^2 of .23 which means that the overall soft skill training explained 23% of the variance in the dependent variable ESSD in public sector banks. The overall model was significant, $F(1, 28) = 8.661$, $p < .05$ and it accounted for 23% of the variance. The results indicated that overall soft skill training in public sector banks ($\beta = .486$, $p < .05$) was having a statistically significant and positive relationship with the ESSD. The strength of the relationship between the overall soft skill training ($\beta = .486$) and ESSD was also found very high. (Evident in table 7, 8, 9).

H2: The dimensions of soft skill training (training methodology & trainer's ability) have a positive linear relationship with ESSD in public sector banks.

Table 10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.599 ^a	.359	.311	.25872

a. Predictors: (Constant), TA_Mean, TM_Mean

Table 11 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	1.011	2	.506	7.554	.002 ^b
	Residual	1.807	27	.067		
	Total	2.819	29			

a. Dependent Variable: ESSD_Mean_Public

b. Predictors: (Constant), TA_Mean, TM_Mean

Table 12 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.007	.648		3.095	.005
TM_Mean	.549	.145	.606	3.780	.001
TA_Mean	-.021	.124	-.028	-.172	.865

a. Dependent Variable: ESSD_Mean_Public

Inference:

A multiple regression analysis was conducted to determine the relationship between the dimensions of soft skill training and ESSD in public sector banks. This overall regression model produced an R^2 of .35 which means that all dimensions of soft skill training explained 35% of the variance in the dependent variable ESSD in public sector banks. The overall model was significant, $F(2, 27) = 7.554$, $p < .05$ and it accounted for 35% of the variance. The results indicated that training methodology ($\beta = .606$, $p < .05$) has a positive linear relationship with ESSD in public sector banks, whereas, trainers ability ($\beta = -.028$, $p > .05$) showed no significant relationship with ESSD in public sector banks. (Evident through tables 10, 11, 12).

H3: There is a significant difference in ESSD among Public and Private Sector Banks.

Table 13 Paired Samples Statistics

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 ESSD Private	4.0833	30	.25801	.04711
ESSD Public	4.1444	30	.31175	.05692

Table 14 Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 ESSD Private & ESSD Public	30	.750	.000

Table 15 Paired Samples Test

	Paired Differences	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference		t	df	Sig. (2-tailed)
					Lower	Upper			
					Pair 1 ESSD Private - ESSD Public	-.06111			.20754

Inference: The paired sample correlations show that there is a significant correlation between ESSD in both sector banks ($r = .750, p < .01$). The paired sample t-test results show that there is no significant difference in the Employee Soft Skill Development (ESSD) in both public ($M=4.14, SD=.311$) and private sector ban. (Evident through tables 13, 14, 15).

Conclusion

Soft skills training provided to employees, whether private or public sector, has a positive and linear association with the development of their knowledge, skill, behavior, teamwork, and personal development, according to a study conducted on employees of private and public sector banks. Soft skill training appears to be a viable technique for employee development and, as a result, organizational performance, as evidenced by statistical analysis (Banks in this context). This demonstrates that well-taught professionals carry out their responsibilities with diligence and greater knowledge. Which offers value to firms' ability to prepare for and succeed in a competitive business environment. This research is based on the Kirkpatrick model, which was previously mentioned.

Scope for further research

Employee performance better be measured by comparing KPA, KRA, and feedback sought by customers, which was not done in this research. The findings of research done on these parameters can act as suggestions/ areas of improvement for staff training colleges to modulate their training to cater to the actual training needs of employees.

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