

# Impact of Digital and AI-Driven Training on Employee Performance in Private Banks – A Study with Reference to Coimbatore District

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## ABSTRACT

The banks are growing concerns and technologies, systems, processes, and procedures are changing here and consequently the employees need to know how and adapt to a new environment or situation for why they are supposed to go through the training and development processes. The rapidly changing business environment in banking sector and the constant challenges it poses to organizations and businesses make it imperative to continuously enhance and improve knowledge and skill sets across the organization. Banks are facing several critical pressures, including a short supply of leaders, the need to develop and engage employees, and issues with turnover. This paper discusses the need got training and Development to enhance the performance of employees' in private banks.

**Keywords:** Training and Development, Private Banks

## INTRODUCTION

In the present competitive world, training, development and management of human resource have been a matter of crucial development of success for banking industry. Dynamic employees are essential for any bank that would like to be dynamic and growth oriented. Therefore, better management of human resource has been more earnestly felt as a vital, in recent decade as before. Also, socio economic environment has been changing world over, and a favorable attitude is being built up towards globalization of the economy. Success of any bank, organization and activities largely depends upon its trained and developed human resource.

The term “training”and“development”in the expression of Human Resource Development(HRD) from the research point of view indicates the development of individual employees, the development of groups of employees in the banks at various sections, departments, division and finally development of entire work force comprising different groups working together to achieve the goals of the bank. Because the success of any bank in the long run very much depends on the quality of its human resource

### Training

In the words of Michael Armstrong “Training is systematic development of the knowledge, skills and attitudes required by an individual to perform the adequately of a given task or job.”

As enunciated by Edwin B. Flippo, “Training is the act of increasing the knowledge and skills of employees for doing a particular job.”

The term training refers to the acquisition of knowledge, skills and competencies as a result of the teaching of the occupational or practical skills and the knowledge that are relate to the specific useful competencies. The definition of the training expands from training directly related to the performance of the official duties to any training that will improves the individual and the banking performance and assists an agency in achieving its objectives and goals. **Hassling (1997), Scott & Sprigal (1996)** “Functional definition of training is the

acquisition of concepts, theories, knowledge, skills and attitudes. The significance of the training lies in making employees more effective and productive. It is actively and intimately connected with all personnel or managerial activities. It is an integral part of the whole management programme with all its activities functionally inter-related.

## **Development**

The two important concepts which is the part of Human Resource development are Training and Development. Both of these words are often use in the interchangeably even though they are differ in their meaning and context. A Development is a much broader concept than the training. Development is generally used in the long-term process and it is much wider than training. Training is the only one element of development that include training and other areas of development of overall personality of the employees in terms of education, skill, knowledge and other skills needed at the work place. The training is one of the important tools in the development of employees. Development is the most common word used in economic and also in sciences. It is not only an economic phenomenon but also a multi-dimensional process. It involves reorganization and reorientation of the entire system, economic and social. It is a process of improving the quality of human lives in terms of development.

## **Need For Training and Development in Banking Sector**

The following paragraph describes the need of training and development.

1. **Training helps in learning curve**
2. **Changing Business Environment**
3. **Building Employees Confidence**
4. **Helps in TQM Process**
5. **Managing Change**

## **Problem On Hand**

The research in Human Rights Development implies training and development of employee's skills from the wider perspective which includes training of an individual employees as well as the group of employees for the different functional areas of their jobs in the banking sector. This will includes various functions of the banks which are interconnected for the common goals of the banks. The human resource is an important element of the banks as all the activities are managed by employees only. Hence the quality of the employees and their efficiency influence the success and failure of a bank.

## **The Select Banks In Coimbatore District**

1. **The Karur Vysya Bank Ltd**
2. **The South Indian Bank Ltd**
3. **City Union Bank Ltd**
4. **The Federal Bank Ltd**
5. **Icici Bank Ltd**

## **Objectives Of The Study**

- To identify the need for training and development assessment required to enhance the performance of employees.

## RESEARCH METHODOLOGY

### Research Design

The research study is descriptive in nature as the focus of the study is to find out associations of employees need for training and development in select private sector in Coimbatore district.

### Data Collection Method

To get the required information, data was collected by primary as well as secondary method.

- The Primary data was collected through administration of structured questionnaires and personal interviews of the respondents.
- The secondary data was collected from internet, reports, journals, books, magazines etc.

### Sample Size

In this research Multi-Stage random sampling techniques was used for selecting the employees from the banks. In this method the population is divided into several sub-populations that are individually more homogeneous than the total population and then we select items from each stratum to constitute a sample. The total final sample includes 500 who are working on full-time basis in private banks of Coimbatore District.

### Sample Frame Work

S. No.	No. of Banks	No. of Branches	No. of Branches Taken for Study	No. of Sample Taken for Study (Each Branch)	Total No. of Sample
1	THE KARUR VYAYA BANK	27	10	10	100
2	THE SOUTH INDIAN BANK	24	10	10	100
3	CITY UNION BANK	23	10	10	100
4	THE FEDERAL BANK	23	10	10	100
5	ICICI BANK	21	10	10	100
	<b>TOTAL</b>	<b>118</b>	<b>50</b>	<b>50</b>	<b>500</b>

### Tools Used For Data Collection:

### Chi-Square Test

### Review Of Literature

1. **S. W. L. H., & Susanto, A. B. (2025)** “The authors found that digital transformation fosters an adaptive work environment and enhances employee productivity by improving digital skills and organizational responsiveness to new technological advancements. The review highlights that digital competence positively correlates with increased job performance, and suggests organizational culture plays a key role in mediating the beneficial effects of digital transformation on performance outcome.

2. **Sharma, P (2024)** “The study examines how AI integration within HRM processes affects employee performance and acceptance in the Indian banking sector. Using the UTAUT framework, the authors identify factors such as performance expectancy, facilitating conditions, and competitive pressures that influence employees’ intention to use AI technologies.

**Analysis And Intrepretation**

**Chi-Square Analysis**

The Chi-square test is an important test amongst the several tests of significance developed by statisticians. Chi-square, symbolically written as  $X^2$ , is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. It is a non-parametric test, “it could be used to determine if categorical data shows dependency or the two classifications are independent. It can also be used to make comparisons between theoretical populations and actual data when categories are used. Thus, the Chi-square test is applicable in large number of problems. I) Test the goodness of fit, ii) Test the significance of association between two attributes and iii) Test the homogeneity or the significance of population variance.

**Association Between Personal Variables and Overall Performance of The Employees in Bank**

In order to find out the association between personal variables such as Age, Gender, Educational Qualification, Total year of service, Marital status, Monthly income, Family Income, No. of children, Family size, Annual family income, Designation, performance of the employees in bank. The two-way table and chi-square test were employed and results are presented in the following table with suitable hypothesis and appropriate interpretation.

**Association Between Gender and Opinion About Overall Performance of The Employees in Bank**

To test whether there is any association between gender and opinion about overall performance of the employees in bank, two-way tables was made and the results are presented in the table.

Table 1 Association Between Gender and Opinion About Overall Performance of The Employees in Bank

S. No.	Gender		Opinion about overall performance of the employees in Bank			Total
			Good	Average	Poor	
1.	Male	FREQ	152	72	48	272
		%	30.4%	14.4%	9.6%	54.4%
2.	Female	FREQ	127	61	40	228
		%	25.4%	12.2%	8.0%	45.6%
Total		Count	279	133	88	500
		Total	55.8%	26.6%	17.6%	100.0%

Source: Primary Data

It is identified from the above table that opinion about overall performance of the employees in bank in bank is Good was the highest of (30.4 per cent) among the Gender of Male respondents, and the lowest of (25.4 per cent ) among the Gender of Female respondents, the Average overall level of performance of the employees in bank was the highest of (14.4 per cent) among the gender of Male respondents, and the lowest of (12.2 per cent) among the Gender of Female respondents, the Poor overall level of performance employees in bank is the highest of (9.6 per cent) among the Gender of Male respondent, and the lowest of (8.0 per cent) among the Gender of Female respondents.

### Association Between Educational Qualification and Opinion About Overall Performance Of The Employees In Bank

To Test Whether There Is Any Association Between education and opinion about overall performance of the employees in bank, two-way tables was made and the results are presented in the table.

Table 2 Association Between Education And Opinion About Overall Performance Of The Employees In Bank

S. No.	Education		Opinion about overall performance of the employees in bank			Total
			Good	Average	Poor	
1.	UG	FREQ	169	44	42	255
		%	33.8%	8.8%	8.4%	51.0%
2.	PG	FREQ	84	84	28	196
		%	16.8%	16.8%	5.6%	39.2%
3.	Diploma	FREQ	26	5	18	49
		%	5.2%	1.0%	3.6%	9.8%
Total		COUNT	279	133	88	500
		% of Total	55.8%	26.6%	17.6%	100.0%

Source: Primary Data

It is describe from the above table that overall performance of the employees in bank in bank is Good was the highest of (33.8 per cent) among the UG Qualification respondents, and the lowest of (10 per cent) among the PG Qualification respondents, the Average level of performance of bank in terms of growth and service was the highest of (16.8 per cent) among the Education of PG respondents, and the lowest of (1.0 per cent) among the Diploma graduate respondents, the Poor level of performance employees in bank is the highest of (8.4 per cent) among the Education of UG respondents, and the lowest of (3.6 per cent each) among the Education of Diploma respondents.

### Association Between Total Years Of Service And Opinion About Overall Performance Of The Employees In Bank

To test whether there is any association between total years of service and opinion about overall performance of the employees in bank, two-way tables was made and the results are presented in the table.

Table 3 Association Between Total Years Of Service And Opinion About Overall Performance Of The Employees In Bank

S. No.	Total Years of Service		Opinion about overall performance of the employees in bank			Total
			Good	Average	Poor	
1	Below 5 year	FREQ	50	23	40	113
		%	10.0%	4.6%	8.0%	22.6%

2.	6-10 years	FREQ	116	28	28	172
		%	23.2%	5.6%	5.6%	34.4%
3.	11-15 years	FREQ	71	47	6	124
		%	14.2%	9.4%	1.2%	24.8%
4.	More than 15years	FREQ	42	35	14	91
		%	8.4%	7.0%	2.8%	18.2%
Total		Count	279	133	88	500
		% of Total	55.8%	26.6%	17.6%	100.0%

Source: Primary Data

It is clearly known from the above table that Good level of overall performance of the employees in bank in bank with the highest (23.2 per cent) in the total years of service of 6-10 years and with the lowest (8.4 per cent) in the total years of service of more than 15 years respondent, the Average level of overall performance of the employees in bank with the highest (8.4 per cent) in the total years of service of below 5 years and with the lowest (1.4 per cent) belong to the total years of service of 11-15 years respondent, the Poor level of overall performance of the employees in bank in bank with the highest (8.8 per cent) in the years of service of 11-15 years and with the lowest (4.2 per cent) in the years of service of below 5 years respondent.

## SUMMARIZED DISCUSSION

The review shows the need of training and development in banks, assessment of training and development need, application of training and development in banks as a means of imparting knowledge to the bank employees and evaluation of training and development's aftereffects of training and development. Banks in India are suffering from various problems according to the researchers worked on Indian banks on training and development issues. The banks need to utilize the training and development process by implementing every step of training and development efforts. A transparent training and development effort can add a new dimension in the Indian banking industry as it is a means of transferring knowledge to the bank employees. The review indicates that the performance of the bankers is affected greatly when bankers go through the process of training and development.

The researchers showed that the training and development have important implications for workplace learning or in other words for training and development practices influence significantly the performance of the employees in the banking sector under studies. Another research paper highlighted that the question of how to develop human capabilities to meet current and future needs of organizations and how it has become an important issue at national, organizational and individual levels. The human capabilities can be increased to a satisfactory level by transferring knowledge, skills, behavior patterns, attitudes, traits and other experiences of one to the unknown one. And this could be done with the help of proper training and development efforts. Training, development and human resource development practices are influenced by environmental, strategic, organizational and temporal conditions.

The banks can take advantages of by imparting necessary knowledge, skills, and attitudes through proper application and implementation of training efforts. So that the banks can take advantages from the external environments, can be leader in the industry and implement the new technologies, processes and procedures as well as systems for first. This can make a bank more distinctive and help get the competencies. For small to medium-sized enterprises, it is explored that training and development support micro businesses in some peripheral ways. That has to talk that the SMEs are also being benefited from the training and development efforts.

## CONCLUSION

The review focuses on training and development in banks, importance of training and development to them, limitations on their study and related other aspects. The above section indicates that training and development is using in banks and banking organization as a means of learning new process, procedure, system, concept, and development, and technologies etc. The review sees that the need for training and development in banks is necessary to adapt with the new and modern activities, technologies and concepts because bank's processes, procedures, systems, technologies and other innovative concepts must be learnt by the human resources of banks.