



**UNIVERSITI PUTRA MALAYSIA**

**EVALUATION OF THE PERCEIVED EFFECTS OF MANAGEMENT  
TRAINING PROGRAMMES FOR COMMERCIAL BANK MANAGERS  
IN PENINSULAR MALAYSIA**

**NOORAINI MOHAMAD SHERIFF**

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IN PENINSULAR MALAYSIA**

**BY**

**NOORAINI MOHAMAD SHERIFF**

**Thesis submitted in partial fulfillment of the  
requirements for the degree of Master of Science  
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**This thesis is dedicated to my family who  
has been my source of inspiration throughout  
the study period.**



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Abstract of thesis submitted to the Senate of Universiti Pertanian Malaysia in partial fulfilment of the requirements for the degree of Master of Science.

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February 1994

Chairman: Associate Professor Dr. Hj. Saidin Teh

Faculty: Centre for Extension and Continuing Education

The purpose of this study was to uncover the effects of management training programmes for commercial bank managers in Peninsular Malaysia. Specifically, this study determined the commercial bank managers perceived effects of the management training programmes and to establish the relationship between needs assessment techniques, instructional techniques, training aids, evaluation criterion, trainers' competency, emphasis of training by top management, and age with the perceived effects of management training by commercial bank managers.



The data were collected from 112 branch managers of five selected commercial banks in Peninsular Malaysia, using a self-administered questionnaire. The questionnaire consisted of eighteen perceived effects of management training programmes, five major components of the training system for bank managers, perceived competency of trainers, indicators of top management's commitment to management training and selected personal characteristics. A Likert-type scale technique was used to obtain the respondents perceptions of the abovementioned.

It was found that five effects of the management training were perceived to be highly important accomplishments of the management courses by more than 90% of the respondents. They were "enabling a better self-assessment of knowledge in relation to performed tasks", "inculcated the requisite skills for effective job performance", "enabling a better self-assessment of attitude in relation to performed tasks", "created new strengths for greater performance" and "impart the necessary knowledge to cope with current job". Another five effects, namely "assisting in the attainment of organizations objectives", "enabling a better self-assessment of skills in relation to performed tasks",



"acquiring professionalism in work", "motivating to better work output" and "developed better understanding of work", were perceived to be important by more than 85% of the respondents. A definite relationship existed between the perceived effects of management training and needs assessment techniques, training aids, criterion used for evaluation, competency of trainers and top management's commitment to training.

The findings of this study indicated that commercial bank managers perceived that the management training programmes conducted for them had facilitated in undertaking their branch administration. In addition, the bank managers also attributed the effectiveness of the management training conducted for them to accurate needs assessment, effective use of visual aids, good evaluation of the training programmes, competent trainers and active support of top management to the management training programmes.



Abstrak tesis yang dikemukakan kepada Senat  
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sebahagian daripada keperluan untuk mendapatkan Ijazah  
Master Sains

**PENILAIAN TANGGAPAN PENGURUS BANK PERDAGANGAN  
TERHADAP KESAN PROGRAM LATIHAN DI PERINGKAT  
PENGURUSAN BANK PERDAGANGAN  
DI SEMENANJUNG MALAYSIA**

oleh

**NOORAINI MOHAMAD SHERIFF**

Februari 1994

**Pengerusi: Professor Madya Dr. Hj. Saidin Teh**

**Fakulti: Pusat Pengembangan dan Pendidikan Lanjutan**

Tujuan utama kajian ini ialah untuk menilai kesan latihan di peringkat pengurusan di bank-bank perdagangan di Semenanjung Malaysia. Objektif khusus kajian ini ialah untuk menilai persepsi pengurus-pengurus bank perdagangan tentang kesan latihan pengurusan ke atas mereka, serta menentukan pertalian di antara teknik penentuan keperluan latihan, teknik pengajaran, alat bantuan latihan, kriteria penilaian, kemahiran jurulatih, penekanan latihan oleh pihak pengurusan peringkat atasan dan umur dengan persepsi





kesan latihan pengurusan oleh pengurus-pengurus bank perdagangan.

Data telah dikumpul menerusi borang soalselidik yang diisi sendiri oleh 112 orang pengurus cawangan dari lima buah bank perdagangan di Semenanjung Malaysia. Borang soalselidik tersebut mengandungi lapanbelas item berkenaan kesan persepsi program latihan pengurusan, lima komponen utama dalam sistem latihan pengurus-pengurus bank, persepsi kemahiran jurulatih, komitmen pihak pengurusan atasan kepada program latihan pengurusan, dan ciri-ciri peribadi yang terpilih. Teknik skala Likert telah digunakan untuk mendapatkan persepsi responden tentang perkara-perkara yang tersebut di atas.

Kajian ini telah mendapati lebih dari 90% responden mendapati lima kesan program latihan pengurusan yang sangat penting. Ia termasuklah "membolehkan penilaian pengetahuan berdasarkan tugas-tugas yang dilakukan", "menambahkan kemahiran untuk membolehkan tugas-tugas dilakukan secara efektif", "membolehkan penilaian sikap berdasarkan tugas-tugas yang dilakukan", "melahirkan kemahiran yang boleh mempertingkatkan prestasi" serta "menambahkan

pengetahuan untuk membantu menjalankan tugas-tugas semasa". Lima lagi kesan telah dinyatakan oleh 85% daripada responden sebagai hasil penting daripada program latihan yang telah mereka hadiri. Kesan-kesan ini termasuklah "membantu mencapai objektif organisasi", "membolehkan penilaian kemahiran diri sendiri berdasarkan tugas-tugas yang dilakukan", "menambahkan profesionalisme di dalam kerja", "mempertingkatkan motivasi untuk menambahkan pengeluaran", dan "meningkatkan pemahaman terhadap tugas-tugas yang dilakukan". Di samping itu wujud pertalian di antara persepsi kesan latihan pengurusan dan teknik penentuan latihan, alat bantuan latihan, kriteria penilaian, kemahiran jurulatih dan komitmen pihak pengurusan atasan kepada latihan pengurusan.

Kajian ini telah mendapati pengurus-pengurus bank perdagangan berpendapat latihan pengurusan yang dihadiri telah membantu mereka dalam pentadbiran cawangan secara efektif. Pengurus-pengurus bank juga berpendapat keberkesanan latihan pengurusan adalah disebabkan oleh ketepatan penentuan keperluan latihan, penggunaan alat-bantuan latihan yang efektif, penilaian program latihan yang baik, jurulatih yang mahir dan

**berdedikasi serta kesungguhan pihak pengurusan atasan  
dalam membiayai program latihan pengurusan.**



CHAPTER I  
INTRODUCTION

When organizations formulate their objectives it is essential to determine what resources are needed to accomplish the stated objectives. Equipment, materials, financial and human resource form the basics. Of these, unfortunately human resource planning usually does not receive sufficient attention. Human resource planning largely encompasses staffing and personnel, which can be loosely categorized into three stages: a) Assessment of present supply. b) Assessment of future needs. c) Development of programmes to meet future needs.

The first phase of human resource planning involves assessing the current supply of human resources. This would include determining how many people are involved in performing each task required for each specific objective. In addition, the quality of the current human resource needs to be evaluated. Internationally renowned organizations such as IBM and AT & T have been able to do this successfully by developing a skills inventory. This is a written compilation of the skills their white and blue collar



employees possess and the number of people having various skills.

The next stage of human resource planning involves forecasting the human resources required to achieve the long and short-term objectives of the organization. This would require the assessment of future personnel needs. To maximize the effectiveness of this task, changes in the external environment, particularly the economic environment must be studied. This is because, such a change can have a significant impact on the future human resource needs of an organization.

The assessment of an organization's resource needs should be followed by the development of a viable programme to meet these needs. Recruiting and selecting more qualified personnel would be a route to fulfill these needs. Nonetheless, this alone will not suffice. It would also be essential to undertake a systematic training and development program to build the skills of current employees to help tap their potentials.

As such, training should be viewed as an activity capable of making contributions to the achievement of an organization's objectives. This is evident by the

definition of training given by many authors. Among them are Castillo and Flippo. Castillo (1976:344) defined training as "a means of improving the behaviour or performance of a participant and therefore contributing to the total performance of the organization". A similar definition was offered by Flippo (1976:209) who viewed training "as an act of increasing the knowledge and skills of an employee for doing a particular job". Stemming from these views on training, the efficiency of an organization, to a certain extent, depends directly on how well its members are trained. Newly hired employees normally need some training before they can undertake their work. Tenured employees also require training to keep abreast with the current requirements in specific skills and knowledge, as well as to prepare for transfers and promotions.

### Bankers' Training

The contributions extended by training is also important to employees in the banking industry. This is because the Malaysian banking system has undergone dramatic changes since operations started more than 100 years ago. The banking industry today has developed

considerably from a modest 99 branches in 1958 to 848 branches as of June 1987. This rapid expansion in terms of branches accompanied by vast changes in the financial system, banking technology, internal controls, audit, telecommunication and changing markets around the world have placed a significant demand on better trained staff.

Further, with high literacy rates and standard of living, the expectations of society have also increased. Banks are expected to play a leading role in serving the public fairly and practice the highest standard of ethics and morals particularly integrity and honesty. This is essential because integrity and honesty is synonymous or equated with good banking (Kanapathy:1987).

Intense competition in the banking industry too is forcing banks to look at their productivity. Emphasis is continuously placed to ensure that they are offering the most attractive range of services at very commercial rates. In light of all these changes, how have bank employees been equipped with the necessary skills and knowledge to better serve their clients? Undoubtedly, training and exposure have played a major

role in contributing to a bank's productivity. This is because the excellence of their services depend a great deal on their job competencies. In light of this, the importance of training for bank staff has been frequently emphasized by professionals in the financial realm. At an official inauguration of the Institute of Bankers Malaysia on December 21st 1979, the Malaysian Minister of Finance reiterated that, training for bank personnel would be crucial. This is because the quality of their service is closely associated with the satisfaction derived by their clients and society at large. As such, the management of banks should seriously attempt to incorporate staff training into their human resource planning.

Bank Negara Malaysia had directed all banking institutions to train at least 20% of their total staff annually (Yasin: 1986). This is a clear indication that the importance of training for bank employees today has been given the appropriate recognition. Management of banks had also taken the initiative to incorporate training as part of their corporate strategy in ensuring long-term growth of their organization.





In addition, as a financial institution commercial banks are likely to expand in future (Rao & Iqbal: 1982). In the 1990's or perhaps by the year 2000, significant changes would prevail. They include mergers, acquisitions and automated management techniques and products. This would contribute to intensified competition among commercial banks. Automation too may be extended to banks new delivery systems and into areas beyond their scope of operation. The increased use of computers in banks and the future inception of "home-banking" by telephone or videos could have a definite effect on the bank-customer relationship. This is because services would tend to be more impersonal. Privatization of government-owned businesses and the need to restructure our economic activities will give rise to new areas of banking like corporate financial consultancy, advisory services etc.

In response to all these changes, banks have began to accept and treat training as an integral function of their organization. This is essential because it is a contributing factor to their growth and productivity.

To date, the importance of training to bank employees has been acknowledged. Nonetheless, it is

