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**Human Research Management  
Training and Development**

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# **ABSTRACT**

**HUMAN RESOURCE MANAGEMENT**

**TRAINING AND DEVELOPMENT**

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Graduation Project

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Human resource management is an approach to the people function in an organization and emerged through 1980's. Human resources are the people who are ready, willing and able to assistance to organizational goals. Today technological breakthrough leads organizations to draw new paths on how a company should be run. Organizations are in need of human resource management in order to keep up with this technological growth and to stand in this competitive market. Nowadays business world is in conscious this concept and aims to use an effective human resource management.

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## I. INTRODUCTION

### 1.1. Human Resource Management: Up Until Today

Human resource management is an approach to the people function in an organization. Human resource management also points to the practices and policies which one needs to do the people aspect of a management position. Human resource management includes all the necessary arrangements that provide people to work effectively, efficiently, productively and feel fully satisfied.

While studying human resources in order to see the development of human resource management it is possible to start from the first eras up until now.

As we know in primitive societies all requirements for basic survival must be satisfied before the person can consider other needs (physiological needs).

Later agricultural societies appeared as people started to cultivate land and a variety of crops produced. People began to dominate their surroundings. This increased the importance of land and nomadic life ended and some commodity exchange had been started.

Industrialization which emerged during 1860 turned the concern from land to machines.

Industrialization is the result of increased agricultural products and the need on how these products will be transported. The invention of steam engine was the starting point of

industrialization. Also with the invention of steel communication accelerated through the newly established railways. Meanwhile another important thing is that: a third factor - a machine - had been taken part between people and the work to be done. Therefore people tend to work through the jobs which need ability and knowledge rather than physical effort. Through the industrialization it had been clearly understood that the element of being people was the key factor for every event.

Information society emerged through 1940 as a result of the frequent use of computers in our daily lives. By the increasing computer technology, people could easily get access to enormous information in every subject and also transfers or shares this information with others. The increasing interest to the people aspect is the most important event of information era because the information accepted so important is the result of people knowledge. Organizations have already understood that they have to use this increasing information in the best appropriate way in order to manage in this competitive world. As a result people become key factor in the identification, guidance and coordination of production. Therefore the interest of organizations concentrated on people aspect rather than the capital. During 1960 studies showed that the quality and quantity of the production had been considerably improved as a result of assistance of the workforce. Specialist understood that people were willing and able to produce more and better quality products.

Today as a result of globalization and increasing technology all organizations are face to face with economic, social and industrial improvements. This globalization and

increasing technology provides free movement of capital, goods and services and easy access to every kind of information about everything. The overall product of this increasing development is created by people. Production, marketing and the usage of this best appropriate development will only be possible again by people. People acts as the most important factor in information societies because the owner that is to say the producer and the consumer of the information is people. Although the importance of human resource emerged through 1980's nowadays, organizations fully understood the growing importance of their human resources. Therefore the role of people has been considerably changed and begins to play a core factor for all organizations.

Organizations are getting a competitive advantage through people – through their employee - and consequence of this people factor organizations play key important role in international arena. By producing and selling better quality products and services throughout the world market, nations are able to earn more wealth for their societies. This shows us in turn that: Countries well-being, economy, and wealth, depends on the performance of its organizations.

The purpose of human resource management is to advance the productive assistance of people to the organization in order to achieve organizational objectives in the best appropriate way. Its objectives are:

Organizational objective means that the human resource department exists to guide managers in order to achieve the objectives of the organization.



Functional objective means to keep the department's contribution at a stage suitable to the organization's need.

Societal objective indicates to be ethically and socially interested to the requirements and challenges of society while decreasing the negative effect of such demands on the organization.

Personal objective include to help employees to carry out their individual goals which will increase the personal contribution to the organization.

As a result human resource management is a concept that includes all the studies concern with people, in order to achieve common organizational goals. Also there are human resource activities which are the actions that are taken to provide and maintain an appropriate workforce for the organization. Human resource activities are linked to each other. A weak decision about one activity leads to some problems on another activity. So all the activities are hold together and by this way they barely design an organizational human resource management. Human resource management activities are: Planning , Recruitment , Selection , Training and Development , Performance Appraisal , Compensation and Benefits , Safety and Health , Employee Relation.

As one company said:

*"For many years it has been said that capital is the bottleneck for a developing industry. I don't think this any longer holds true. I think it's the work force and the company's inability to recruit and maintain a good work force that does constitute the bottleneck for production. I don't know of any major project backed by good ideas, vigor, and enthusiasm that has been stopped by a shortage of cash. I do know of industries whose growth has been partly stopped or hampered because they can't*

*maintain an efficient and enthusiastic labor force, and I think this will hold true even more in the future..."*

Source: Dessler Gary, Human Resource Management, 2002, Ninth Edition, Prentice Hall, 2002, USA

Human resource decisions are critical to the economic success as well as the financial and psychological well-being of individual employees and organizations. (R.B.Brown and D.Harvey, 2001). In fact, human resource decisions are the most difficult but important decisions that organizations make because they affect the organization's future and people's future and lives. The crucial component in adapting to technological change is the human factor (R.E.Dutton, 1990). Today as we are living in an information society we are face to face with new improvements in technology and this affects the performance of all the organizations without looking their occupation. Organizations are aware that they will reach success by learning and adopting this newness to their work field. Therefore existing working groups must be willing and ready to adopt these newnesses and change. Because people are becoming such a critical factor, in the future, the only winning organizations will be those that respond quickly to change and are able to manage their human resources effectively (D.Ulrich, 1988).

Organizations also know that coping with these challenges depends on how effectively employees contribute to organizational goals. This likewise depends in a major sense upon the ability of the employees. Thus, the importance of the human resource management activities of training and development becomes obvious.

## 1.2. Objective of the study

The main aim of this study is to show how organizations achieved their objectives through their human resources and to show how training and development affect the workforce of a business. As a result of globalization and increasing technology knowledge is the key factor of improvement of a society and a nation. Knowledge is the most valuable product of human brain. It can never be copied or artificially made and it can be put into various forms again by people.

This topic has been chosen for study because training and development is the only tool to seize the prevailing conditions and so it is the only rule to adopt the changing work environment rapidly. A number of banks namely Türkiye İş Bankası AŞ, Deniz Bank AŞ and Kent Bank AŞ have been selected for study. The activities of training and development conducted in each of these banks have been analyzed with the objective of showing the emphasis and importance given to these activities and the positive effect they have on the performance of the banks and their employees. Information collected has been attained through interviews with the persons responsible for training and development activities in the banks.

Training and development is the main responsibility of human resource management. It is very clear that there is a severe competition all over the world and training and development is the only tool to compete worldwide. Basically the unique advantages of training and development are expected to be discovered from this study.



### 1.3. Organization of the Study

My aim with this project is to provide an overview of Human Resource Management. This project is done by analyzing the information provided by different resources. This report has been prepared for graduation and submitted to committee. As we know Human Resource Management constitutes an important role in organizations. This study describes the activities of Training and Development conducted in each banks named as Türkiye İş Bankası AŞ. Kent Bank AŞ. and Deniz Bank AŞ. This project is divided into five parts as follows.

In the first part the meaning of Human Resource Management and objective of this study are explained. In the second part, training and development programs, learning principles, benefits of training and development, evaluation and the reasons of evaluating Training and Development are explained. In the third part Training and Development activities in some banks are explained. The fourth part is consisting of the conclusion and recommendation.



## II. TRAINING AND DEVELOPMENT

### 2.1. What is meant by Training and Development?

Training and development are two human resource management activities that can contribute to an organization's competitiveness: competitiveness referring to an organization's ability to maintain and gain market share. Through training and development practices organizations can grow and improve the services / products offered to its customers by providing employees with the knowledge and skills they need to be successful.

Training can be defined as a process that teaches human resources the skills necessary to perform the tasks required for their job positions or as a planned effort by a company to alter the behaviors of employees in a direction that will achieve organizational goals. The goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to day-to-day activities. But nowadays, it is understood that in order to gain a competitive advantage training has to involve more than just basic skill development (Quinn Anderson, and Finkelstein 1996). Training should be viewed as a way to create intellectual capital .This including basic skills, advanced skills, understanding customers and manufacturing systems, and self-motivated creativity (Noe, 2002)

The terms training and development have been used interchangeably for many years, but they do have a difference, illustrated below;

### **Comparison Between Training and Development**

	TRAINING	DEVELOPMENT
Focus	Current	Future
Use of work experience	Low	High
Goal	Preparation for current job	Preparation for changes
Participation	Required	Voluntary

Source: Noe.Raymond, A.Gaining Competitive Advantage, 2000, Third edition Mc.Graw Hill,USA

It is only recently that organizations have recognized that training and development can create value for an organization. Organizations need employees that are motivated, productive, have up-to-date skills, and can learn new skills quickly to keep up with the ever changing needs of customers. Employees have to develop skills that are useful for their current jobs and also for future positions and responsibilities.

## **2.2. Managing the Training and Development Program**

The first step in managing the training program is to determine the training needs and set objective for these needs. The training topics that will be taught are based upon the needs

of organization's human resources. So the question that the organization must first answer is "What are the needs of my trainees". Once the needs are identified the training program can then be designed to specifically address those needs. If the organizations training program is going to be effective it must meet the goals of the organization , it must be relevant to the particular job duties and tasks required of the job position and it must satisfy a deficiency in the knowledge or skill level of the trainee. Organizations which give importance to its work force carried out a basic human resource tool called job analyses which provides information for a proper match of skills between what the employees possess and skills needed for the job.

Another indication of a training need is evidence of a conflict between the needs of the organization and the needs of the employees. Training is not only necessary when there is a deficiency in skills, it is also necessary to change or improve employee attitudes and behaviors.

Besides managing the training program it is also necessary to identify whether the company has the budget, time and expertise for training. There are three areas that require analyses for the needs assessments. These are;

Analyzing the organizations needs,

The knowledge, skills and ability needed to perform the job,

The person's needs.

### **2.2.1. Analyzing the Organizational Needs**

This requires an examination of the long and short term objectives of the firm. The organization's financial, social growth, human resources and market objectives need to be matched with the firm's human talents, structure and efficiency.

### **2.2.2. The Knowledge, Skills and Ability Needed to Perform the Job**

In order to complete this part of need assessments it is necessary to learn from current employees and managers what are the tasks, what skills are needed to perform well.

### **2.2.3. The Person Needs**

Training is conducted through at the individual or group level therefore it is very important to understand a person's need. There are four ways to determine employees' needs for training.

- 1-Observe employees.
- 2-Listen to employees.
- 3-Ask supervisors about employee's needs.
- 4-Examine the problems employees have.



### 2.3. Learning Principles

Training and development is basically a learning process. Therefore, when the learning principles are included in training it will make training more efficient and effective. This happens when the training methods match the learning styles of the participants and the types of the job needed by the organization. It is also necessary to point out that although the rate at which people learn depends on the individual, learning principles help speed up the learning process. Learning is something that can not be observed only its results can be measured. In fact learning principles are guidelines to the ways in which people learn most effectively. These are:

Participation: It improves motivation and support the learning process. Actively participate in training process will help to learn more quickly.

Repetition: This means repeating something again and again thus putting a pattern into one's memory.

Relevance: This means to be related. It can be also explained as the relation between what one is learning and how it is related with his or her job.

Transference: This means to transfer the knowledge which is learned during a training program to the current job.

Feedback: This involves giving back information to the trainees on their progress, about their performance. By this way they are motivated.

## **2.4. The Training Plan**

The training plan could be considered the heart of the training program. It is an outline that takes the training needs , goals , and objectives or what the organization operations must do with respect to training and identifies when, where , by whom and how the training will be accomplished.

Where the training takes place is answered by selection of the training site. By whom is answered by the selection of the trainer. How the training will be accomplished is answered by selecting the instructional methods. When the training should occur is determined by the priority of the training need.

## **2.5. The Training Location**

Selection of the training location will be partially determined by the type of training method that the organization selects. The environment is a critical factor in determining the success of your training program. The area should be pleasant with a minimum of distractions such as area temperature, lighting, and comfort of desk or chair.

## 2.6. The Trainers

Trainers constitute the key role for an effective training program. It is really difficult for an organization to succeed effective training if the trainers do not have the necessary abilities for that. The trainers can be; inside company trainers, outside consultants, managers, and success full businesspeople.

The characteristics of deal trainer;

Specialist in his/her field.

Knowledgeable about the organization.

Able to communicate effectively and listen carefully to other.

Able to analyze and solve problems.

Able to use technological tools.

Have the ability to motivate.

Patient and enthusiasm.

Have knowledge about job skills, trainee abilities and skill levels.

Have knowledge about learning principles.

## 2.7. The Trainees

The selection of trainees is very important activity in order to achieve desirable training programs for an organization. There are some elements of trainees which have to be taken into consideration for the selection of suitable training methods are the following.

The qualifications they have.

The experience they have.

Why they are chosen.

What job they do now.

Why they have to be trained.

The level of education they have.

## **2.8. Benefits of Training and Development**

### **To the Organization:**

Leads to improved profitability and/or more positive attitudes toward profit orientation.

Improves the job knowledge and skills at all levels of the organization.

Improve the morale of the work force.

Helps people identify with organizational goals.

Helps create a better corporate image.

Fosters authenticity, openness and trust.

Improves the relationship between boss and subordinate.

Aids in organizational development.

Learns from the trainee.

Helps prepare guidelines for work.

Aids in understanding and carrying out organizational policies.

Provides information for future needs in all areas of the organization.



Organizations get more effective decision making and problem solving.

Aids in development for promotion from within.

Aids in developing leadership skill, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display.

Aids in increasing productivity and / or quality of work.

Helps keep costs down in many areas, e.g. production, personnel, administration, etc.

Develop a sense of responsibility to the organization for being competent and knowledgeable.

Improves labor-management relations.

Reduces outside consulting costs by utilizing competent internal consulting.

Stimulates preventive management as opposed to putting out fires.

Eliminates suboptimal behavior (such as hiding tools).

Creates an appropriate climate for growth, communication.

Aids in improving organizational communication.

Helps employees adjust to change.

Aids in handling conflict, thereby helping to prevent stress and tension.

### **To the Individual:**

Helps the individual in making better decisions and effective problem solving.

Through training and development, motivational variables of recognition, achievement, growth, responsibility and advancement are internalized and operationalized.

Aids in encouraging and achieving self-development and self-confidence.

Helps a person handle stress, tension, frustration and conflict.

Provides information for improving leadership knowledge, communication skills and attitudes.

Increases job satisfaction and recognition.

Moves a person toward personal goals while improving interaction skills.

Satisfies personnel needs of the trainer (and trainee).

Provides trainee an avenue for growth and a say in his/her own future.

Develops a sense of growth in learning.

Helps a person develop speaking and listening skills; also writing skills when exercises are required.

Helps eliminate fear in attempting new tasks.

Source: Werter, William B. Davis, JR. Keith, Human Resource Management, 1996, Fifth Edition, International Edition, Mc.Graw Hill, USA

## **2.9. Selecting the Training Methods**

Once a firm has decided to train employees, the next decision that must be made is to determine which method will be used in the training program to maximize the amount of learning that occurs for each of its trainees. Training programs must consider the process of continuous learning which requires employees to understand the entire work system. Also employees are expected to gain new skills and knowledge, apply them on the job

and share this information with other employees. There are various methods that organizations use in training such as On-the-job, Orientation and Off-the-job. The most popular one is On-the-job training.

On-the-job training means having a person learn a job by actually doing it. A trainer, supervisor or coworker serves as the instructor and teach the person how to the current jobs. Every employee, from a clerk to a company president, gets on-the-job training when he/she joins a firm. Some of the on-the-job training techniques are;

Expanded Responsibilities; This helps to expand the job duties, assignments and responsibilities of a person.

Job Rotation; This technique is also called cross-training. This involves moving of individuals to various kinds of jobs within the organization at the same level or next immediate-higher level for periods of time.

Mentoring; A knowledgeable person from a higher level helps a new employee “learn the ropes” of the organization and contribute other advices.

Staff Development Meetings; Meetings are usually held offsite to examine facts of each individual’s job and to advance ideas for improving job performance.

Problem – Solving Conferences; Conferences are held to solve a defined problem being experienced by a group or the organization as a whole. It includes brainstorming and other creative wishes to come up with solutions to basic problems.

Although on-the –job training is one of the best methods, as illustrated below it has both advantages and disadvantages.



On-the-job training	
Advantages	Disadvantages
It is less costly than off-the-job training as it uses normal equipment in normal surrounding.	Training takes place in the real work surrounding which are stress full thus the trainee may be confuse. Stress usually prevents learning.
The trainee is in the real work environment so there are no further adaptation problems.	Valuable equipment may be damages.

Another training method is orientation. Orientation can be explained as the guided adjustment of new employees to the company, the job and the work groups. Orientation contributes new employees with the main background information of the organization such as company customs, business activities, key competitors, working conditions which include working hours, pay procedures and fringe benefits.

Off-the job training takes place away from normal work situation. The most common approach type is the classroom based programs. It may involve lectures, case studies, discussions, videos. It may be only on hour, or several weeks in length. The program may be conducted by employees of the company or by outside experts. Like on-the-job training, off-the-job training has got advantages and disadvantages shown below;



Off-the-job training	
Advantages	Disadvantages
As the training is given by a special instructor, it should be higher quality.	Sometimes there are transfers of learning difficulties when a trainee changes training environment.
The trainees do not damage valuable equipment.	No training can be entirely off-job; some parts of the task can only be learned by doing them in its original place.

All the methods of training and development are worthless unless management is behind the programs one hundred percent.

Training programs must have three grades according to participant. These grades are;

Employee level training; aims gaining ability in technique methods. Employees play an important role in the quality of the products because they are accepted as the producing group. The master craftsperson among the group of employees will be the best appropriate trainer for this group.

Official level training; Training of this group is very important because it includes the candidates for management level and also this group has a very close work dialogue between the management levels. Therefore their work attitudes and patterns must be updated according to the best conditions. The training program can be both applied inside or outside of the organization.

Managerial level training: Managers like other employees have to be trained but the training methods differ in several ways. This level of training tends to more future oriented and more complex and must include the topics such as problem solving, decision making, leadership and human resource management. The training program can be both applied inside or outside of the organization but it is better if it is done in another residence. By this way management staff have a chance to meet other colleagues which will leads to better results in the training programs. Management level training will give better results if this duty is carried out by experienced businessperson or an academician.

#### **2.10. Evaluation of the Training and Development**

Performing training and development serves as a transformation process in which untrained employees are transformed into capable workers and present workers are developed to assume new responsibilities. There are some effective criteria used to evaluate training. Trainers are particularly concerned about;

1. The reactions by trainees to the training content and process.
2. The knowledge obtained through the training experience.
3. Changes in behaviors that result from the training.
4. Measurable results in the persons or the organization such as lower turnover and fewer accidents.

Evaluation of training and development must have some steps. These are:

Evaluation criteria	Pretest	Trained or developed workers	Posttest	Transfer to the job	Follow-up Studies
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Evaluation criteria should be established before training begins. Its aim is properly matching the training and development objectives.

Pretest includes a test so that the participant's level of knowledge is tested before the program begins.

Posttest applied to the group that receives the training in order to show the improvement that resulted from the program.

Transfer to the job shows us if the trainee can transfer what he/her has learned in the training program to the job in which means the training program is successful.

Follow-up studies are the last step of evaluation process. This step may be repeated after six months to see and make sure that the trainees did not forget what he/she has learned.

If he/she does not remember a repetition can be applied.

### 2.11. Reasons for Evaluating Training and Development

Many organizations are investing millions of dollars in training programs in order to gain a competitive advantage. As a result, they have the right to make evaluation about the programs. They do evaluation because of the following reasons mentioned below:

- If transfers of training to the job is occurring.



- To identify the programs' strengths and weaknesses.
- To identify which trainees benefited most or least from the program.
- To determine the financial benefits and costs of the program.
- To compare the costs and benefits of different training programs to choose the best program.

## 2.12. Learning Organization

Today as we are living in information society, organizations are striving to cope with this changing environment. Every market and customer is demanding higher quality and lower cost. To meet these requirements organizations must improve its overall performance. The only tool to seize these prevailing conditions and gain competitive advantage can only be possible by being a "learning organization". Learning organization is the one which understands the performance does not stop, must be continuous. Learning organization is a company that has enhanced capacity to learn, adopt and change. It can also be explained as an organization whose employees are continuously attempting to learn new things and apply what they have learned to improve the quality. Learning organizations are aware the growing importance of training and development and knows that this training and development is the key factor for continuous performance. Therefore they provide training and development programs in their firms. In fact in a learning organization training and development is viewed as an investment in human resources and not as a cost.



### III. TRAINING AND DEVELOPMENT ACTIVITIES IN SOME T.R.N.C. BANKS

#### 3.1. Türkiye İş Bankası A.Ş. Head Office

##### 3.1.1. Historical Background

###### Foundation:

The inception of the country's first truly national bank following the promulgation of the Republic dates back to 26 August ,1924 mandated by Atatürk consequent to the First Economy Congress in İzmir Isbank begun to operate with two branches and 37 staff under the leadership of Celal Bayar , the first General Manager to run the bank.

###### Since then.....

Isbank boasts continuous growth committed to its founding principles, restoring its strength and vigor with each passing year. The Bank tops the list of Turkey's most respected and trustful enterprises, while carving itself a place amount the world's largest corporation's Isbank, a publicly traded firm since its inception enjoys a peerless stakeholder base.

### **Isbank's Primary Innovations**

The following are examples of the Bank's forerunning achievements:

Introduction of child's coin bank's which has triggered and made mainstream.

The use of cheques for daily transactions.

Initiating electronic banking in the country with a sound technological groundwork.

Introduction of ATM's. Isbank was the first in the industry to coin a generic name for seller machines.

Overseas branches in Europe and Cyprus.

Saving accounts.

Mutual accounts.

Interactive banking service since 1996

Deployment of Net matik machines to enhance banking amount clients without access to PC's.

Introduction of mobile banking on WAP enabled GSM phones

### **An Electronic Breakthrough in Banking**

The bank deployed one of the world's most advanced online real time technologies in the light of head spinning innovations and developments that have influenced the banking sector following the 80's. Today the bank's;

2278 ATM's

390 Net matik machines

107 CRS'S

832 branches

7 overseas branches

Head Office

1 Off-shore branch

Isbank GmbH in Germany which operates 16 branches across Europe is connected on line real-time.

### 3.1.2. Training and Development Activities in İş Bankası AŞ. Lefkoşa Branch

Türkiye İş Bankası AŞ. has a training department for the purpose of training and developing its employees. A budget is separated for this purpose. (However, the amount was not given) This department includes not only the necessary training and development programs but also all auditing, foreign language, entrance exams and interview for the bank personnel who are going to be recruited. The main aim of the bank is to provide its personnel the fundamental banking information. By doing so Isbank believes that, the whole organization captures the improvement in banking and technological developments. The training programs start after the selection process with an orientation program in which fundamental banking information and company background information are given to every recruited person. These training programs are repeated continuously until a person is completely trained without considering the rank.

Annual reports about personnel performance (performance appraisal) which is prepared by supervisors are used to decide whether training is needed or not, and for whom. Performance appraisal provides the necessary information for the workforce. In other words it shows if personnel are lazy or below standards, which leads Isbank to take sound decisions and necessary actions for the benefit of the organization and of the individuals. In order to prevent unfair treatment, two supervisors take place in the appraisal process and also necessary training is given to the authorized persons during the assignment.



Job analyses are conducted in Isbank .This is a process through which Isbank determines the duties of the positions that have to be staffed and the characteristics of the people who should be hired for them. This processes must be kept up to date otherwise it will result in a poor match of skills between which the officials possess and skills needed for the job. Also job analyses information is an important source in determining training needs – if an employee does not exactly fit the position he occupies then he should go through a training program.

The bank's training department is responsible for the training programs. Training programs are done routinely and when it is required. The expert of the field gives the training without considering the rank but if necessary experts are hired from outside Consultant Company to conduct training. Generally, training takes place in the headquarters but sometimes according to the variety of the programs it may be carried outside of the company. The training place is not determined according to rank. The programs may last about two days or can take up to two months .Upon completion of training the program is evaluated. Evaluation is done through observations to judge whether the trainee has learnt and transferred what has been learnt to the job. After evaluation training department does not conduct an additional questionnaire to the trainees (follow-up study ). But when the opinions about training programs were asked to the trainees, they said that whatever the training program they believe that they will be more capable for their current job duties by the assistance of these programs. They also added that they feel more conscious about their responsibility.

Management level of Türkiye İş Bankası AŞ., gives great importance to training and development thus Isbank established a training department inside the institution. It is also necessary to point out that Türkiye İş Bankası AŞ. is always aware of the importance of human resources. Hence the bank is continuously improving its workforce by providing training programs. Isbank believes that the main reason for success in the banking sector lies under their well-trained personnel. Isbank's latest training program was about Organizational Behaviors , and this program has been conducted in Merit Cristal Cove Hotel in Kyrenia by the Prof. Dr. Doğan CÜCELOĞLU for the whole personnel of Türkiye İş Bankası AŞ., Lefkoşa Branch .

## **3.2. DENİZ BANK A.Ş. HEAD OFFICE**

### **3.2.1. Historical Background**

Deniz Bank was established as a state-owned bank in 1938 with the primary purpose of providing financing for the newly emerging Turkish maritime industry. Following long years of successful activities, Deniz Bank become one of the foremost banks in the Turkish banking industry and made a reputable name. In 1992 the Bank joined Emlakbank following a decision by the government to merge some state-owned banks. In 1997, Deniz Bank separated from Emlakbank and was privatized as a separate entity. The bank presently consists of 120 branch offices. Aiming to satisfy a growing client base, Deniz Bank continually enhances and up grades its contemporary corporate and banking service. During the last quarter of 2001 Deniz Bank was able to take advantage of rapid developments in the banking industry and turned threats into opportunities. Supported by its strong shareholder base and successful financial performance, Deniz Bank aims to become the leader of medium – sized Turkish banks.



### 3.2.2. Training and Development Activities in Deniz Bank AŞ.

Deniz Bank AŞ.'s training department is heavily dependent on human resource management and has a separate budget for this purpose. Deniz Bank AŞ. conducts training according to the suggestions of division supervisors and to the results of the questionnaires. If sometimes needed, orientation programs which can be defined as the guided adjustments of new employees to the company, the job and the work groups are applied to the newly hired officials. Beside these situations training programs are applied to the less experienced officials and to those who have not got any banking experience. Also training is conducted when a new job is created and when a job is changed. In general Deniz Bank AŞ. trains a person if he is recently hired. In Deniz Bank the training department decides the training programs according to the training questionnaires and to the demands of the supervisors. Deniz Bank AŞ. conducts performance appraisal for each functional unit. Performance appraisal constitutes a base for the planning and application of the training programs. Performance appraisal assists Deniz Bank AŞ., in obtaining the necessary information in connection with the workforce; that is to say why they are lazy or below standards which leads Deniz Bank to take sound decisions and necessary actions for the benefit for organization and for the individuals. Deniz Bank AŞ. conducts job analyses as a process which determines the duties of the positions that needs new staff and the characteristics of the people who should be hired. These analyses are continuously repeated by the human resource department and by keeping this process up to date, Deniz Bank AŞ., manages to identify the most suitable training program for its workforce. The studies of training programs are under the responsibility of training



department and carried out by Deniz Bank's trainers and (or) by experts from training and consultant firms. The training programs are changed according to the type of the needed program. The evaluation of the training programs are carried out in the form of questionnaires – evaluation of reaction and in the form of examinations – evaluation of her/his rank. But in order to gain corporation activities an employee rotation is done for a week. There is a technical training which was previously chosen for every department and for every rank. It is necessary to keep in mind his/her previously training programs and according to this study new training programs are applied. Performance appraisal is conducted in the bank. During this appraisal if there is a missing subject in connection with the program, this is taken into consideration Job analyses is also conducted in our organization and naturally training must be applied according to the needs. Human resource and training managers are responsible for the training programs. Training studies are carried out by upper level management, by academicians and by professionals. The training location may vary according to the rank and also the training duration may change according to the program. To the content of the program, it may be take place inside and (or) outside of the company. For the evaluation of training programs a series of tests are applied to the trainees. Beside this a series of reports are prepared as a result of transformation process. There are training and trainer evaluation forms which are used to analyze and evaluate training programs and the trainers by the trainees. The bank believes that training programs have an important role in personnel and technological development.

### 3.3. KENT BANK AŞ. HEAD OFFICE

#### 3.3.1. Training Activities in Kent Bank

The following information is based on an interview with a human resource specialist, Ms. Çiğdem Ersoy who is recently retired from Kent Bank.

According to Ms.Çiğdem Ersoy, Kent Bank's training and development studies are directed towards the identified needs. There is an additional budget for training and this training budget is clearly stated in the annual budget studies and reconsideration is made through quarterly monthly periods.

Institutional firms are conscious of how to reach stated objectives and firms believe that this can only be possible by considering customer and personnel satisfaction. The bank recognizes that its most valuable element is people. This is valid in whole for the service sector. Therefore it is necessary to shape the staff to reach the banks goals. In every level, personnel are in need of different training programs. For example while a manager may need a coaching training, a cleaner or tea ladies may need institutional culture train. Fixing the training period may vary from department to department and according to her/his rank. But in order to gain corporation activities an employee rotation is done for a week. There is a technical training which was previously chosen for every department and for every rank. It is necessary to keep in mind his/her previously training programs and according to this study new training programs are applied. Performance appraisal is

conducted in the bank. During this appraisal if there is a missing subject in connection with the program, this is taken into consideration. Job analyses are also conducted in our organization and naturally training must be applied according to the needs. Human resource and training managers are responsible for the training programs. Training studies are carried out by upper level management, by academicians and by professionals. The training location may vary according to the rank and also the training duration may change according to the program. To the content of the program, it may be take place inside and (or) outside of the company. For the evaluation of training programs a series of tests are applied to the trainees. Beside this a series of reports are prepared as a result of transformation process. There are training and trainer evaluation forms which are used to analyze and evaluate training programs and the trainers by the trainees. The bank believes that training programs have an important role in personnel and technological development.

The questions asked in the interviews conducted with the specialist responsible for training and development activities in the banks that were analyzed for the study can be found in the appendix.



#### IV. CONCLUSION and RECOMMENDATIONS



Twentieth century is accepted as the information era. This is as a result of globalization and increasing technology. Globalization and increasing technology provided people with endless information. It is very obvious that the producer and the consumer of the information is people and as a result information is the most valuable product of human brain. It can't be copied or artificially made but it can be put into various forms by people. Nowadays people aspect is considered so important because it is the only common ingredient in all organizations and nations.

Human resource management is an approach to the people function in an organization.

Human resource management includes all the necessary arrangements that provide people to work effectively, efficiently, productively, and feel fully satisfied. Human resource management can also be explained as finding the best suitable person to the organization.

Human resources are the people who are ready, willing and able to assist to organizational goals. Nowadays, organizations are beginning to understand the growing importance of human resources. Therefore the role of people has been considerably changed and begins to play a core factor for all organizations. Organizations are getting a competitive advantage through people – through their employees- and consequence of this people factor organizations play key important role in international arena.



Today human resource management is growing rapidly as a discipline especially in Europe and United States of America. Beside these two continents application of human resource management is widely spread in Turkey. Supervisors in this field must be properly informed about the background, context and characteristics of human resources. Also it is necessary to handle these applications in a proper way in order to gain a satisfactory result. Human resource management accepts people as a key factor and this is the main characteristics of human resources.

Under the prevailing competitive environment contributing higher quality, faster time cycle and lower cost are considered as success and reputation. This can only be attainable for an organization by the performance of its workforce.

The organization which understands the performance does not stop and must be continuous are called learning organizations. Learning organizations knows that the key factor for keeping this performance update and being a leader in the market is only achievable by donating of its workforce with necessary training and development programs. It is only recently that organizations have recognized that training and development can create value for an organization.

Throughout the ages, learning and training have played an important role in human life. Training and Development is a continuous process which is a planned and continuous effort by management in order to improve employee competency levels and organizational performance.

Training includes the activities which help employees to increase their present jobs, capabilities, skills, knowledge and so perform a current job in a better way. Simply training is for now.

Development is a broad term, which sometimes includes training that helps individuals to handle future responsibilities with less emphasis on current duties. Usually development has focused on management-level employees. Development is for future.

The benefit of training and development programs to the organization and to the employees has been clearly seen in the third part of my project. Türkiye İş Bankası AŞ. Head Office gives a great importance to its human resources, training and development programs. This is the main reason of being leader in the banking sector. With respect to this study, it is very obvious that in T.R.N.C the most important deficiency of the organizations is the absence of human resource management. This may be because of being a small island and the insufficiency of markets and the present embargos. This affects all the necessary performance of the organizations to stand in the leader position in this market. In general, except Türkiye İş Bankası AŞ. Lefkoşa Branch, no company or bank is involved completely with Human Resource Management, and training and development programs in their organizational structure.

Türkiye İş Bankası AŞ. is the leading one in the banking sector and gives greater importance while selecting and recruiting their personnel. Theoretically they apply every recruited person a detailed training programs. As shown in the training and development activities of the bank, the main handicap is that: the bank does not conduct an additional

questionnaire and does not evaluate training programs. If this has been carried out, the bank will save up time and money. It is necessary to evaluate training and development programs by using test to support the observations and to understand whether the training and development programs have been successful. The other two banks which have been mentioned, although they are even smaller, give greater importance to the evaluation of training and development programs than Türkiye İş Bankası AŞ. This is very important for growth and competition.

Türkiye İş Bankası A.Ş. have a trustworthy reputation and thus it has a lot of customers. In the banking sector, it is not the methods of banking but the ways of giving services to customers that are changing. The ways of service in the banking sector has been considerably change, such as offering a credit card to a customer. In the past it is very difficult to get a credit card, it is necessary to have saving accounts, but nowadays a lot of banks and firms provide their customers with a variety of cards with an ease of monthly installments by visiting them personally. Beside these, organizations give greater importance to human aspects and pays attention to the educational and career background of their personnel. Small and medium sized corporations can only compete with strong rival banks or firms through their workforce. It is very apparent that working in a strong and large organization depends on a person's education, knowledge, ability and his or her performance. Those show us that how training and development is important for success.

It is necessary to advice the firms in T.R.N.C to take necessary actions for this handicaps. But I believe that all the firms in T.R.N.C will give the necessary importance to their



workforce especially nowadays because of the anticipated solution to the “unsolved Cyprus problem” and thus the bright future which lies ahead. Thus it is very clear that in this market one of the most important ways to be strong is through the training and development of employees, because as previously mentioned in the study, competitive advantage is gained and maintained through an organizations workforce.

Success of a state is highly dependent on its organizations and the successes of the organizations are highly dependent on their management. Different states have different geographic characteristics and they have different resources. The only common ingredients in all states are the people irrespective of the region and other sources. Today countries who use their people – workforce- in best appropriate way will be the successful ones.



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# QUESTIONS

1. Is the training program necessary?
2. How long should the training last?
3. What should be the objectives of the training?
4. Who should be responsible for the training?
5. How should the training be conducted?
6. How should the training be evaluated?
7. Do you need a job analysis?
8. Is the training done when it is most useful or appropriate?
9. What is the cost?

## APPENDIX

10. Does the training content change according to the type of work?
11. Does the training content change according to the type of worker?
12. Does the training take place inside or outside of the company?
13. Which type of work is most suitable for training?
14. How should the training be conducted after the training is completed?
15. How should the training be evaluated after the training is completed?

## QUESTIONNAIRE

1. Do you have training programs in your bank?
2. Do you have additional budget for these training programs?
3. Why do you support your personnel with these training programs and which reasons caused you to do these trainings.
4. How you decide the starting time of training?
5. How do you decide that your personnel need training?
6. Do you conduct performance appraisal? If so , is the training given according to this purpose ?
7. Do you conduct job analysis?
8. Is the training done when it is necessary or routinely?
9. Who is responsible for the training program?
10. Who gives the training? Does the training program change according to rank?
11. Does the training program change according to the type of training.
12. Does the training takes place inside or outside of the company? Does the training place change according to rank?
13. Which steps are used during the evaluation of the training program?
14. Do you conduct an additional questionnaire after the training program completed?
15. What does management level think about the training programs? What kind of benefits can be taken from these programs?