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## AN APPLIED STUDY ON TRAINING MECHANISMS FOR FINANCIAL AND BANKING INSTITUTIONS TO IMPROVE THE PERFORMANCE OF EMPLOYEES IN A NUMBER OF PRIVATE BANKS

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### ABSTRACT

The current study aims to clarify the role of training in the performance of employees, as the study made clear that for the theoretical part, the subject of training was described as an independent variable, while for the practical part, improving the performance of employees was considered a variable, and statistical analyzes were used, including correlation and regression. A questionnaire form was used that was designed for this study and included questions according to the (five-point Likert scale) and was intended for employees in the studied banks to answer to know their opinions and then analyze it using the SPSS program (version no. 17) to identify the nature and quality of the relationship and influence between the variables of the study and it was of a degree significance less than 5%. This study reached many conclusions, the most important of which is that to achieve the competitive advantage of the organization, training employees helps in increasing their performance and thus this advantage is achieved. This study also reached many recommendations, the most important of which is that banks should give great importance to the concept of training and make it the focus of great interest for them because it has many benefits, including getting employees who have many skills and high abilities in providing good services and skills in dealing with customers.

### KEYWORDS

Training, Employees, Banks, Organization.

## INTRODUCTION

The most important way to the success of organizations around the world is to train workers well because it is important in increasing the efficiency and experience of all employees in the organization. Employee performance depends on many factors, the most important of which is training in employee performance. Training and developing employees is considered one of the most important means that the organization can use to continuously renew its vitality and be able to make it strong in the face of changes that occur at the levels of the external and internal environment, because it trusts in the scientific and behavioral capabilities of employees, and that increasing the quality and volume of local and global competition between organizations and competition Among them in order to provide the best and best in goods and services in order to gain consumer confidence as well as expand the marketing share of the organization. This competition led the administration to focus on the strategic role played by training and development in giving human resources great capabilities and high-level skills, which enables them to be creative and innovative in order to provide the best and best products in addition to achieving a competitive advantage for the organization.

Therefore, organizations that do not give importance to improving continuous training programs will find themselves in trouble due to the continuous changes that occur in the surrounding environment, which force the organization to reconsider the composition of knowledge, skills, and capabilities of its human resources in order to adapt to the requirements of the new environment.

## METHODOLOGY

First: the problem of the study

The problem of the study revolves around clarifying the impact of training on the performance of employees in the banking sector through several things, including presenting training needs and knowing what programs are necessary to train employees and how they affect their performance. Since there is a major weakness in the training programs adopted by our service institutions, the rapid technological changes and developments The new developments in this field require organizations to follow them and prepare training programs that are appropriate with them. From this standpoint, the problem of the study was limited to the following questions:

1-Does training have an impact on the quality of services provided by employees in the banking sector?

2-Does training have an impact on developing the skills and capabilities of workers in the banks studied?

3-Are there organizations convinced of the importance of training and its impact on the role of employees in the banks studied?

### Importance of the study

The importance of the study and the extent of the benefits it achieves through training employees in the banking sector in the banks studied were summarized as follows:

Increasing the production of workers, both quantitatively and qualitatively, comes through their acquisition of skills and the extent of their knowledge in how to perform their job and the extent of their assistance in performing the tasks assigned to them with high efficiency and effort, as well as reducing wasted time and material resources used. Training also helps in renewing and updating information to suit different environmental variables. Training also helps in clarifying the general policies followed by the organization. Thus, the performance of employees will rise and improve through their knowledge, which will help them acquire new experiences and skills.

Also, rationalizing and developing administrative decisions, as well as developing the foundations and methods of administrative leadership skills by contributing to building an active base for internal consultations and communications, and with this

development, interaction will occur between workers and management on the one hand and between workers among themselves on the other hand.

### Objectives of the study

This study sought to achieve a set of goals:

1-Focus on knowing the importance of applying the studied banks to training programs.

2-Focus on knowing the most important types of training programs provided to workers in the studied banks.

3-Identify the impact of training and improving the performance of employees in the studied banks.

4-Identify the amount of commitment of senior management and its support for the training strategy and adoption of its idea in the banks studied.

5- Providing comprehensive resources to local and Arab libraries for training programs and their effective training strategies, and what is their importance in improving the performance of workers within organizations.

### Study hypotheses

For the purpose of arriving at good and clear answers to all questions and finding solutions to the problems raised in this study, the study aims to test the validity of the following hypotheses:

1-Is there a significant relationship between training processes and employees' performance in terms of its variables?

2-Is there a good correlation between training processes and employee performance in terms of its variables in the banks studied?

### Study model

This is a study that searches for the role of (training), which we called the independent variable, on a group of variables, which are (employee performance, type and quality of services, and technical capabilities).

### Study variables

This study was based on two types of variables: the independent variable, which is training, and the dependent variable, which is employee performance.

### Methods of data collection

- 1-From sources (Arabic and foreign), in addition to the Internet.
- 2-Questionnaire form.

### Study population and sample

Here, the study population is the private banks in Salah al-Din Governorate. Four private banks were chosen and spread in different places in the governorate, namely (the Bank of Baghdad, the Iraqi Islamic Bank, the Economy Bank, and the Investment Bank) by distributing a questionnaire and (120) were collected. Out of (200), the recovery rate reached (60) %, and these forms were distributed to administrators (managers, deputy directors, department heads, and employees) working in the private banking sector in 2022 and 2023.

### The topic (training process)

First: The concept of the training process

general and administrative training in particular, but their definition agreed on the basic points of the training process, in that it leads to the improvement and development that occurs to the trainee through his performance and commitment to the work required of him with complete efficiency and effectiveness. He contributes to achieving his own goals and the goals of the organization to which he belongs and society. Al-Hiti defined training as an administrative and organizational effort that is linked to continuity and which aims to bring about a skill, behavioral and customary change in the individual's actions at the present time and in the future, in order for him to be able to carry out all the tasks assigned to him and at the same time develop his practical performance behavior (Al-Khatib, 300:2006)

Second: Advantages and benefits of the training process

The training process seeks to achieve many advantages for the individual and the organization, the most important of which are the following (Al-Khatib:303, 2006):

A- Features of the employee training process:

- 1-The worker (individual) acquires the advantages that make him qualified to occupy leadership positions.
- 2-The worker (individual) acquires many experiences, skills and knowledge in order to enable him to advance his work.

3-Enhancing the confidence of employees by acquiring new experiences, information, and capabilities, which leads to raising their morale.

B- The advantages of the training process and its importance to the organization are as follows:

1-Developing employees' competencies and increasing their experience and skills.

2-Preparing generations of individuals capable of managing leadership positions

3-Keeping pace with the rapid scientific and technological development and also to confront the changes occurring in the economic and social systems.

Third: The importance of the training process

The training process is important in the business world, as its importance is represented as follows (Masa'idah, 8: 2008).

1-Informing workers of the modifications and changes that occur in performance methods and how to use the updated devices and tools.

2-Training and qualifying other workers so that they can be relied upon to undermine the authority and also to replace leaders who move to another place or are referred for retirement.

3-Increasing the added value and productivity by reducing the loss of resources and working hours. This is a result of the improvement in the behavior pattern and the increase in performance efficiency.

4-Working to reduce working hours in service organizations.

5-Improving the method of dealing with auditors, will increase their satisfaction with the organization and improve their image in their minds.

The second topic (employee performance)

First: Clarifying the term (employee performance)

In order to understand this term, some concepts that may be confused in the minds of some must be discussed. They are used to express, for example, productivity and effectiveness, in addition to the terms performance efficiency and productivity, because these terms are used to express the organization's performance. It is necessary to know its concept, as employee performance has been defined as (the degree of achieving and completing the tasks that make up the job), as this definition reflects how the individual achieves the requirements of the job he is performing (Al-Barnuti, 219, 2001). Numerous studies have shown that effectiveness can be described as a dependent variable, which is determined by many independent variables, the most important of which is the extent of efficiency in the way resources are used in order to achieve the specified goals. Or it is a plan whose purpose is to acquaint or increase workers with knowledge and skills that work to improve the performance of individuals at work (Douclas, 2023).

From what was mentioned previously, we can clarify what we want in this study, which is a comprehensive definition of performance that is available for it:

1-General comprehensiveness: which can be applied to all or most jobs.

2-The process: By which we mean subjecting the study to quantitative measurement.

In order to achieve these aforementioned points, we can take the following steps:

The first step: which looks at setting general goals that include businesses and jobs, which include goals related to solving problems, and routine goals.

The second step: which looks at determining the goals of each of the three aforementioned groups, which includes describing the reality of work and the reality of the actual practice of work.

The third step: which examines setting rates for the performance of each goal pattern for the three groups, thus defining the performance for each goal and comparing it to its typical standard (Suleiman, 1975:13).

Second: The importance of employee performance

The issue of two-year performance has become of great interest in all developing and developed societies. All organizations are working to raise the level of employee performance until it has become a basic criterion for administrative and economic progress. It has become linked to raising the standard of living and raising the efficiency of workers' performance, and therefore we see that the basic problem in all countries is that they are working to raise the level of workers' performance in all administrative and economic units. Also, improving the level of workers' performance receives great attention from all levels, starting from the level of the individual worker to the level of National, and this is based on the fact

that the role and performance of the individual or worker has an impact on the general performance of the administration in which he works, and this will in turn be reflected positively or negatively in the effectiveness of the organization and vice versa, and this in turn will be reflected at the national level (i.e. the state) (Suleiman, 1975:29).

A- The importance of performance for employees

1-The performance of the individual (worker) at all levels is a reflection of the performance of the department, department, or organization, in addition to the good role of the employees and their interaction, which expresses the effectiveness of the organization to which they belong.

2-The individual (worker)'s interest in his level of performance will be reflected personally on him.

3-Performance is an expression or measurement of the ability of the individual (the worker) to perform his work at the present time, and therefore every individual must pay attention to the performance of his work because of its connection to his future career (Mansour, 1986: 135).

B- The importance of performance to the organization

The issue of performance is the primary concern of every official because it is one of the important factors that is used in evaluating the organization he manages. Therefore, we see that all those responsible for all organizations show interest in the performance of employees in these organizations and that the

individual's performance is a reflection on the entire organization (Abu Hind, 1994: 30).

Third: Dimensions of employees' performance

Researchers have found many dimensions of employees' performance and have identified them with five or three dimensions. In this study, we will address three dimensions, which are as follows (Al-Barnuti, 2001: 385-388):

**A- Work and Productivity:** This dimension examines the quantity and percentage of production and the extent to which the individual (worker) covers his work in terms of the quantity of production while observing the working conditions. It also defines the quality of production taking into account the general rules of work and the speed of time to complete the work and master it.

**B- Mental abilities**

This dimension looks at creativity in work, such as introducing improvements and good and fruitful ideas into work, in addition to the ability to develop oneself and the ability of the individual (the worker) to acquire information and experiences, solve problems and the ability to solve them, and the individual's possession of the strength of memory that can be used to solve these problems.

**C- Personality traits and psychological preparations**

This dimension is represented by taking responsibility, which shows the extent of the worker's ability to bear his responsibility, the extent of his keenness to

perform his work, and the amount of flexibility in dealing that the worker has in performing his work.

Fourth: The importance of training and its role in improving employee performance

Training has many effects on employee performance and can be summarized as follows:

- 1-Strengthening social relations between individuals (workers) and developing their attitudes.
- 2-Developing employees' sense of loyalty and belonging to the organization in which they work.
- 3-Raising the level of performance and improving it in both quantitative and qualitative terms.
- 4-Reducing the rates of both absence and turnover.
- 5-Work to educate employees about the importance of training.
- 6-Providing employees with the ability to search for new and innovative things in all areas of work (Hamid, 2000: 70).

The third topic (applied aspect)

First: Description of the investigated banks: A number of branches of government and private banks were chosen to represent the study sample: (Economy Investment Bank, Baghdad National Bank, Investment Bank, Iraqi Islamic Bank) that operate in Salah al-Din Governorate, and the questionnaire was distributed.

Second: Description of the respondents

In view of the developments taking place and the competition with technology in the current era and the increase in competition, the researcher conducted a test for the employees of the surveyed banks who

practice various activities within the banks. The researcher distributed (150) questionnaires to the individuals surveyed in their own work sites. (120)

questionnaires were retrieved, the percentage of which was The response is approximately 90%, and Table 1 shows this:

**Table (1): Characteristics of the individuals surveyed**

the number	Variable	Category	Number of sample members	percentage %
1	Gender	Male	75	62%
		Female	45	38%
the total			120	%100
2	Age	20 - 30 years	30	25%
		31 - 40 years	25	20%
		41 - 50 years	45	38%
		Older than 50 years	20	17%
the total			120	%100
3	Position	Bank manager	4	3%



		Treasurer	18	15%
		accountant	50	42%
		Other	48	40%
	the total		120	16
4	Years of Experience	Less than 5 years	4	3%
		From 5 years and less than 10 years	66	55%
		From 10 years and less than 15 years	23	19%
		More than 15 years	27	23%
the total			120	%100

Source: Prepared by the researcher based on questionnaire responses\*

Second: The stability of the study tool  
The stability of the study tool was confirmed by calculating the Cronbach alpha coefficient. Table (2)

shows the values of the reliability coefficients for each axis and the number of items that belong to each axis. Looking at the values of the Cronbach alpha

coefficients, it is noted that all values are greater than (0.7), and this indicates that the study tool is characterized by stability, and the study tool has been

built, prepared and judged in an acceptable manner and achieves the research objectives.

**Table (2): Validity coefficient for measuring the study tool**

the hub	Number of phrases	The axis is true
Training	10	0.863
Employee performance	10	0.830

\* Source: Prepared by the researcher based on SPSS

Fourth: Description and diagnosis of the research variables

The research methodology aims to determine what variables the researcher relied on to achieve the research objectives. The research relied on analyzing data related to the research variables. The program (SPSS 28) was used to show the arithmetic means and

standard deviations and for all items related to the response. Table (3) shows the values of the means. Arithmetic calculations and standard deviations at the bank level.

**\*Training variables**

**Table (3): Arithmetic means and standard deviation for the training items**

Paragraphs	variable	Sample volume	Arithmetic mean	standard deviation	Relative weight
Training contributes to improving the skills of workers in private banks	X1	120	4.05	1.139	0.810
The training increases knowledge and understanding of the required banking tasks	X2	120	3.80	0.967	0.760

Private banks provide appropriate training opportunities for employees	X3	120	4.09	0.980	0.818
Regular training courses are organized to improve the skills of workers in private banks	X4	120	3.96	0.751	0.792
Training contributes to increasing the efficiency and productivity of workers in private banks	X5	120	4.17	0.748	0.834
Training helps you deal with customers in a better way	X6	120	3.99	0.851	0.798
Get feedback and evaluations after completing training courses	X7	120	3.93	0.589	0.787
Provides continuous training opportunities for improvement and skills development in private banks	X8	120	3.88	0.796	0.776
Training helps in dealing with banking	X9	120	4.14	0.717	0.828

challenges and problems					
Investing in training is a good investment for private banks	X10	120	4.10	0.800	0.820
Arithmetic average rate			4.011	0.834	0.802

\*Source: Prepared by the researcher based on the outputs of the statistical program

**SPSS 28**

Table (3) shows that the arithmetic average for the training axis reached (4.011) with a standard deviation of (0.834), as the paragraph (that training contributes to increasing the efficiency and productivity of workers in private banks) had the highest arithmetic average as it reached (4.17) with a standard deviation of (0.748). While the paragraph that states (training increases knowledge and understanding of required banking

tasks) had the lowest arithmetic mean, reaching (3.80) with a standard deviation of (0.967). Based on these results, management decisions can be made that focus on enhancing and developing training to increase the efficiency and productivity of workers in private banks, while current training programs must be reviewed and improved to increase knowledge and understanding of the required banking tasks.

**\*Employee performance**

**Table (4): Arithmetic means and standard deviation of employees' performance**

Relative weight	standard deviation	Arithmetic mean	Sample volume	variable	Paragraphs
0.834	0.713	4.16	120	Y1	Workers in private banks have strong skills in their field of work
0.794	0.810	3.97	120	Y2	Employees in private banks provide high-quality services to customers

0.762	0.866	3.81	120	Y3	Employees in private banks have a high level of professionalism in dealing with customers
0.796	0.796	3.98	120	Y4	Employees in private banks have a high level of knowledge and understanding of banking products and services
0.800	0.593	4.00	120	Y5	Employees in private banks deal with customers with high ethics and respect
0.770	0.851	3.85	120	Y6	Employees in private banks have effective and strong communication skills
0.802	0.700	4.01	120	Y7	Those working in private banks deal with problems and challenges effectively and innovatively
0.788	0.752	3.94	120	Y8	Employees in private banks have the ability to learn and develop continuously

0.812	0.641	4.06	120	Y9	Employees in private banks have the ability to work within a team effectively and harmoniously
0.794	0.751	3.97	120	Y10	Employees in private banks have the ability to deal with work pressures well
0.795	0.747	3.976	Arithmetic average rate		

\*The source was prepared by the researcher based on the outputs of the statistical program SPSS 28

Table (4) shows that the arithmetic average for the employee performance axis reached (3.976) with a standard deviation of (0.747), as the paragraph (that employees in private banks have strong skills in their field of work) had the highest arithmetic average as it reached (4.16) with a standard deviation of (0.713). While the paragraph that states (that workers in private banks enjoy a high level of professionalism in dealing with customers) came with the lowest arithmetic mean, reaching (3.81) with a standard deviation of (0.866). Workers in private banks have strong skills in their field of work in general, but there

may be some improvements required in the level of professionalism in dealing with customers. Emphasis can be placed on developing skills and providing appropriate training to employees in this aspect with the aim of improving the overall performance of private banks.

Fifth: Testing hypotheses

First: Analyzing the correlation and influence between training quality variables and employee performance variables

1- Analyzing the impact relationship between training and employee performance

Independent variable	Employee performance						
	$\alpha$	$\beta$	$R^2$	A $R^2$	T	P	F

Training	0.248	0.044	0.505	0.499	0.687	0.000	84.273
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\*Source: Prepared by the researcher based on the statistical program SPSS

Through the results of Table (5), it became clear to the researcher that the value of the (F) test calculated for the model (84.273) is at the significance level (0.000) to indicate the significance of the model, its statistical acceptance, and the acceptance of the hypothesis in general.

2-The researcher noted that the value of the explanation factor was (0.505), with a corrected explanation factor (0.499), as training was able to explain (49.9%) of the changes that occurred in the employees' performance, while the remaining

percentage (50.1%) was attributed to other variables that were not included. Within the tested model, and from the researcher's point of view, the model is strong and reliable in explaining the performance of employees in banks. A positive effect was found (0.236) at the significance level (0.000) and with the calculated T value (0.687), the researcher inferred the validity of the first hypothesis.

\* The second hypothesis: There is a correlation between training and employee performance at a significance level less than 0.05.

**Table (6): Correlation between banking service quality and customer satisfaction**

Independent variable	Training
Dependent variable	
Employee performance	0.537*
Moral level	0.002

Source: Prepared by the researcher based on the outputs of the statistical program SPSS 28, P< = 0.05

To achieve the second hypothesis, which states that there is a correlation between training variables and employee performance, and Table No. (6) shows that there is a significant correlation between the investigated variables, with a value of (0.537) at a

significance level of (0.002), the researcher inferred the validity of the first hypothesis.

**CONCLUSIONS**

The research reached a set of conclusions

1. The study showed that training plays an important role in improving the performance of

employees in private banks. A clear improvement in the level of performance was recorded after completing the training programs, as the skills, knowledge and working capabilities of employees improved.

2. The study showed that training contributed to improving the communication skills of workers in private banks. Their ability to communicate effectively with customers, understand their needs, provide appropriate service and answer their inquiries better has been enhanced.

3. The study showed that appropriate training contributed to increasing the knowledge and efficiency of workers in private banks. The necessary knowledge about banking procedures, banking products, and relevant laws and legislation was provided, which helped workers perform their tasks more efficiently.

4. The study showed that training contributes to improving customer satisfaction in private banks. Thanks to improvements in employee performance, communication skills and knowledge, customer experience is improved and their needs are better met, leading to increased customer satisfaction and loyalty to banks.

5. The study showed that training contributes to improving the performance of private banks in general. Thanks to improving employee performance and increasing the level of skills and knowledge, the bank's efficiency has been improved and positive results have

been achieved in terms of profits, growth and service excellence.

## RECOMMENDATIONS

Based on the conclusions of the study on the quality of banking service and its impact on customer satisfaction in private banks, some of the following recommendations can be made:

1. Private banks should develop customized training programs aimed at improving the skills and knowledge necessary for workers in the banking field. These programs must be aligned with the bank's needs and strategic objectives.

2. Private banks must adopt a culture of continuous learning and provide opportunities for employees to develop their skills and knowledge. This can be achieved by providing online workshops, training courses and educational materials.

3. Leaders in private banks must adopt an active role in supporting and enhancing training. Leaders should role model continuous learning and encourage employees to participate in training programs.

4. Private banks should evaluate the impact of training programs on employee performance and the bank's results in general. KPIs can be used to determine the effectiveness of training programs and what improvements can be made.

5. Private banks must encourage interaction and active participation by employees in training programs. This can be achieved by providing opportunities for



discussion, cooperation, and exchange of experiences among employees.

6. Training programs must be integrated with the bank's strategy and strategic objectives. Topics and skills should be chosen that reflect the bank's needs and contribute to achieving its vision and mission.

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