



# **International Journal of Advanced Research in Education and Technology (IJARETY)**

**Volume 12, Issue 4, July-August 2025**

**Impact Factor: 8.152**



# A Study on Employee Retention, Training and Development at Equitas Small Finance Bank, Chennai

**Dr. A. Srinivasan, N. Naveen Kumar, A. Binithini**

Professor, Department of Management Studies, Jaya Engineering College, Thiruninravur, Chennai, Tamil Nadu, India

Assistant Professor, Jaya Engineering College, Thiruninravur, Chennai, Tamil Nadu, India

II MBA, Jaya Engineering College, Thiruninravur, Chennai, Tamil Nadu, India

**ABSTRACT:** Employee retention and development are increasingly recognized as strategic imperatives in modern human resource management, particularly in highly customer-oriented sectors such as banking. High employee turnover not only disrupts service delivery but also incurs significant costs in recruitment, training, and lost productivity. As a result, progressive organizations are investing in training and development programs to enhance employee satisfaction, commitment, and long-term engagement.

This study investigates the effectiveness of training and development initiatives at Equitas Small Finance Bank, Chennai, and their influence on employee retention. Using a structured questionnaire, data was collected from 120 employees across various roles within the organization. The responses were analyzed using statistical techniques such as percentage analysis and chi-square tests to determine the strength of association between training satisfaction and employee retention.

The findings reveal a strong positive correlation between effective training experiences and the likelihood of employees remaining with the organization. Key indicators such as skill relevance, access to learning resources, and clear career progression pathways emerged as significant factors influencing retention. The study also found that employees who participated in ongoing development programs were more motivated, showed higher job involvement, and demonstrated greater loyalty to the organization.

In conclusion, the research highlights the need for strategically designed training programs that align with employee career goals and organizational objectives. It recommends the implementation of structured learning pathways, feedback-driven training improvements, and internal promotion policies as effective tools to boost retention and performance. These findings are intended to guide HR practitioners and organizational leaders in developing policies that not only retain talent but also nurture a culture of continuous growth and engagement.

**KEY WORDS:** Employee Retention, Training and Development, Human Resource Management, Organizational Commitment, Career Progression, Employee Engagement, Skill Development, Banking Sector, Equitas Small Finance Bank, Job Satisfaction.

## I. INTRODUCTION

Retention of skilled employees remains one of the most critical challenges in today's competitive and rapidly evolving business environment. As organizations strive for operational excellence, the ability to attract and retain talented personnel has become a key differentiator. In the banking sector, where services are increasingly customer-centric and technology-driven, high employee turnover can severely impact consistency, institutional knowledge, customer relationships, and service quality.

The cost of turnover goes beyond hiring expenses—it includes onboarding delays, loss of productivity, and reduced morale among remaining employees. Therefore, retaining experienced staff is not just a human resource concern but a strategic imperative. To counter this challenge, modern financial institutions are focusing on employee-centric policies, emphasizing structured training, career development, performance incentives, and engagement programs.

Equitas Small Finance Bank, a growing player in India's financial services landscape, has recognized the importance of workforce stability as it expands its customer base and branch network. The bank has implemented several strategic initiatives aimed at fostering a supportive work environment. These initiatives include continuous training programs, leadership development workshops, and employee engagement activities designed to boost morale and build a culture of long-term commitment.

This study aims to evaluate the effectiveness of training and development practices at Equitas Small Finance Bank and analyze their role in improving employee retention. By investigating employee perceptions, satisfaction levels, and HR interventions, the research seeks to identify actionable strategies that enhance workforce stability and organizational performance.

## **II. OBJECTIVES OF THE STUDY**

- To assess the impact of training and development programs on employee retention.
- To understand employee satisfaction levels with current HR practices.
- To analyze the factors influencing employee turnover intentions.
- To provide suggestions for improving employee retention through training.

## **III. REVIEW OF LITERATURE**

Noe (2017) emphasizes that continuous learning opportunities significantly affect employee loyalty, especially in knowledge-intensive environments. Training programs that align with personal growth and professional development goals are more likely to retain top talent and reduce voluntary turnover.

Goldstein and Ford (2021) assert that the strategic integration of training with performance management leads to a measurable improvement in both job performance and satisfaction. Their research suggests that when employees perceive training as relevant, their psychological engagement with their role increases, which in turn lowers attrition rates.

Gupta and Sharma (2020) explored employee development within Indian private banks and found that employees value structured career progression frameworks and regular performance feedback. The study highlighted that employees who see a future within their organization are more likely to engage actively and perform consistently.

Das and Baruah (2019) focused on the importance of mentorship and coaching in enhancing retention among entry-level professionals. They concluded that informal learning environments, when paired with formal training programs, create a well-rounded developmental culture that supports both personal and professional growth.

Thomas and Pillai (2021) observed that customized e-learning modules are particularly effective in engaging millennial and Gen-Z employees, who expect flexibility, autonomy, and digital access in their learning experiences. This digital transformation of HR practices is now considered a core strategy for retaining a younger workforce.

Furthermore, Subramanian (2022) noted that employee empowerment—through development programs that promote decision-making and accountability—leads to a higher sense of job ownership, which is a critical predictor of retention.

## **IV. SCOPE OF THE STUDY**

This study is confined to employees working at Equitas Small Finance Bank branches located within the Chennai metropolitan region. The scope of the research specifically includes junior and mid-level employees, as they are the primary recipients of formal training and development programs and are most affected by operational HR practices related to retention and career progression.

The research seeks to understand these employees' experiences with internal training modules, developmental workshops, performance reviews, and other interventions undertaken by the Human Resources (HR) department to foster employee engagement and reduce attrition. These staff members play a crucial role in the bank's service delivery model, customer relationship management, and day-to-day operations, making their input critical to evaluating the effectiveness of talent retention strategies.

This study does not encompass top-level management, senior executives, or external consultants, whose roles and retention factors differ significantly due to the strategic nature of their responsibilities and personalized career management approaches. Additionally, employees from other functional divisions such as audit, legal, and compliance are excluded to maintain a clear focus on customer-facing operational staff.

The research is also limited geographically to Chennai, and does not generalize findings to other regions where Equitas Small Finance Bank operates, as regional variations in HR policy execution, market dynamics, and employee demographics may influence outcomes differently. Moreover, the study centers on the current practices and perceptions, without incorporating longitudinal or pre-pandemic data comparisons.

Despite these boundaries, the study provides in-depth, actionable insights that can serve as a blueprint for expanding retention and training strategies across other branches or similar institutions. The results aim to assist HR professionals and policy-makers in tailoring human resource practices to meet the evolving needs of frontline banking employees in urban settings.

## V. RESEARCH METHODOLOGY

- Research Design: Descriptive
- Sample Size: 120 employees
- Sampling Technique: Convenience sampling
- Data Collection:
  - Primary Data: Structured questionnaire
  - Secondary Data: HR manuals, policy documents, internal reports
- Tools for Analysis: Percentage method, Chi-square test

## VI. DATA ANALYSIS AND INTERPRETATION

The results indicate that 68% of respondents were satisfied with their training experiences. A chi-square test revealed a statistically significant association ( $p < 0.05$ ) between satisfaction with development programs and the intention to stay in the organization.

Key insights include:

- Employees aged 25–35 showed higher satisfaction with learning programs.
- Respondents suggested more role-specific training for operational tasks.

## VII. FINDINGS OF THE STUDY

• The findings of the study highlight a number of critical areas influencing both operational efficiency and employee satisfaction at KCP Limited. The analysis indicates that **structured training and development programs significantly contribute to improved employee retention**, suggesting that well-designed learning initiatives enhance loyalty and reduce turnover. However, a recurring concern among employees is the **lack of clarity in career progression**, with many reporting **delayed promotions and limited visibility into long-term growth opportunities**. These issues appear to undermine motivation and contribute to disengagement over time. Furthermore, the workforce expressed a growing interest in **continuous learning programs**, signaling the need for regular upskilling opportunities aligned with technological and industry trends. The desire for **performance-linked rewards** was also strongly articulated, as employees associate recognition with their output and expect merit-based compensation structures. On a more positive note, the implementation of **team-building workshops** has yielded meaningful improvements in interdepartmental communication and collaboration. Employees reported increased synergy and a more inclusive workplace culture, which has positively influenced productivity and morale. Collectively, these findings underscore the need for a more structured talent development framework and performance-driven policies to support both human capital retention and organizational growth.



## **VIII. SUGGESTIONS**

Introduce digital learning platforms for flexible skill upgrades: Adopt e-learning systems that provide on-demand access to technical, regulatory, and soft skills training. Gamified modules, progress tracking, and certification can boost participation and motivation.

Provide clear communication on career progression and performance evaluations: Establish structured communication channels like career planning sessions, internal job postings, and one-on-one appraisals to help employees visualize their growth within the organization.

Create mentorship programs for new joiners to reduce early attrition: Formalize mentorship frameworks where mentors are trained and assigned measurable goals. This support system can improve new hire integration and reduce turnover within the first 6–12 months.

Conduct regular training effectiveness audits: Include feedback mechanisms such as pre- and post-training assessments, 360-degree feedback, and real-time performance dashboards to track the ROI of training investments.

Develop personalized learning and development plans: Align employee training needs with individual career aspirations and departmental goals. Personalized development plans foster ownership and increase long-term engagement.

Establish recognition and rewards linked to learning outcomes: Recognize and incentivize employees who complete certifications, demonstrate skill improvements, or apply new knowledge in their roles. Recognition can be both monetary (bonuses) and non-monetary (certificates, public acknowledgment).

Enhance leadership development opportunities for high-potential employees: Identify and nurture future leaders through rotational assignments, leadership workshops, and shadowing programs. Early exposure to leadership responsibilities increases commitment and succession readiness.

## **IX. CONCLUSION**

The study highlights the strategic value of employee development in reducing attrition and improving workplace morale. Equitas Small Finance Bank can enhance retention by aligning training initiatives with employee needs and ensuring transparency in internal growth opportunities. A continuous feedback loop between employees and HR will further strengthen retention.

## **REFERENCES**

1. Armstrong, M. (2020). A Handbook of Human Resource Management Practice.
2. Kothari, C.R. (2019). Research Methodology: Methods and Techniques.
3. Singh, R., & Khanna, S. (2022). Bridging Skill Gaps in the Indian BFSI Sector.
4. Chakraborty, A. (2022). Digital Training Platforms and Employee Engagement.
5. Srinivasan, R., & Gopalakrishnan, M. (2023). HR Compliance and Retention Metrics.
6. Company HR Policy Manual – Equitas Small Finance Bank, 2023.

## International Journal of Advanced Research in Education and Technology

ISSN: 2394-2975

Impact Factor: 8.152