

UNIVERSITY OF CAPE COAST

TRAINING AS A TOOL FOR PERFORMANCE IMPROVEMENT IN THE
MODERN BANKING INDUSTRY: A CASE STUDY OF THE RURAL
BANKS IN THE BRONG-AHAFO REGION

BY

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DISSERTATION SUBMITTED TO THE CENTRE FOR DEVELOPMENT
STUDIES, OF THE FACULTY OF SOCIAL SCIENCES, UNIVERSITY OF
CAPE COAST, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR AWARD OF MASTER OF ARTS DEGREE IN HUMAN RESOURCE
MANAGEMENT

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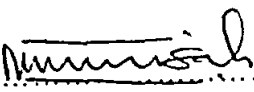
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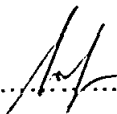
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I hereby declare that the preparation and presentation of the thesis were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

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ABSTRACT

Training is a pre-requisite for the growth and survival of rural banks in this era of competitive banking. Indeed, the importance of training to the effective and smooth running of rural banks cannot be over-emphasised. The principal aim of the study was to ascertain whether training is a tool for performance improvement in the modern banking industry with particular reference to rural banks.

The descriptive research design was used for the study. The target population comprised all the rural banks in the Brong-Ahafo Region. The research instruments used for collection of data were questionnaire, interviews schedule, documents, and observation. Frequency of responses, percentages and mean values were used to analyze the data collected.

The types of training available in the rural banks are on-the-job and off-the-job. Although rural banks combine on-the-job and off-the-job training to develop their human resource capacities, prior attention is open to the former. An insignificant number of the staff and directors of rural banks are professional bankers. Rural banks are entangled in competitions to attract donor support in the form of funds and offerings of training opportunities to upgrade the knowledge, skills and attitudes of their staff. Also, they are competing with each other to attract and retain customers. Training of staff and directors of rural banks has proved to be an effective tool in enabling the banks to withstand the competition in the banking industry.

ACKNOWLEDGEMENTS

I am delighted to have the opportunity to thank all those, who contributed immensely towards the successful completion of this research.

I wish to express my profound gratitude to Dr. E. K. Ekumah, who supervised my work. Indeed, I am grateful to him for the invaluable suggestions he made for improvement in substance, presentation and expression.

Also, I owe a debt of gratitude to my friend, Mr. Seth Akraasi, who read through the preliminary questionnaires and made many useful suggestions.

Again, I am indebted to the Board of Directors and Management of Nsoatreman Rural Bank, Baduman Rural Bank, Drobo Community Bank, Kintampo Rural Bank, Ahafo Community Bank and Wamfie Rural Bank where the research was conducted.

Finally, I wish to express my unqualified thanks to Miss Grace Asabea Affum, Mr. Johnnie Gyamfi-Yeboah and Miss Zenabu Mumuni for their most willing and efficient clerical assistance.

DEDICATION

This dissertation is dedicated to my parents and wife, whose shining virtues, affableness and generally admirable characters encouraged me to conduct the research.

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CHAPTER ONE

INTRODUCTION

Background to the study

Until 1980, the banking sector in Ghana was dominated by the Ghana Commercial Bank, the Agricultural Development Bank, the National Investment Bank, the Ghana Co-operative Bank, the Merchant Bank, the Social Security Bank, the defunct Bank for Housing and Construction and a few expatriate banks namely; the Barclays Bank of Ghana Limited and the Standard Chartered Bank Ghana Limited to mention but a few. The state had forty percent equities in the expatriate banks. The indigenous banks were directly or fully owned by the state or its agencies. Pursuant to the Economic Recovery Programme embarked upon by the government in the 1980s the need to liberalize and invigorate the banking sector arose and consequently a number of banks have sprung up.

Since 1983, Ghana has witnessed the establishment and incorporation of more than half a dozen banking institutions. These include the Ecobank Ghana Limited, the First Atlantic Bank, the Prudential Bank Limited and the Trust Bank. Although, the concept of rural banking evolved in the mid- 1970s very little was achieved in respect of their establishment until the 1980s when it was given much boost. Following the technical and financial assistance from the World Bank, the

African Development Bank, the IFAD and other world financial institutions, as many as 120 rural banks have been set up in Ghana, with eighteen of them operating in the Brong-Ahafo Region. The proliferation of banks in the Ghanaian economy especially, after the 1980s has resulted in a keen competition among them to map out strategies to improve upon their performances in order to mobilize more funds and maximize their profits. This has brought in its trail the need to train their staff to improve their knowledge and skills in banking in order to enhance their performance.

The fact that training is a pre-requisite for the growth and development of any industry and, for this matter banking, cannot be over-emphasized. Training in all spheres of life enables one to acquire the necessary knowledge, skills, attitudes and values to operate effectively at one's work place. The ARB Apex Bank Limited (2005) emphasizes that individuals and groups in the rural banking sector need training to enable them to work effectively. There is no industry that can survive and prosper in the fast changing global economic situation without giving the appropriate training to its staff or personnel. Managers and senior staff of banks have to discharge their supervisory duties effectively to ensure efficient delivery services, take initiative to develop new and attractive products and ensure that there is a cordial staff-customer relationship among others. The junior staff on the other hand, are expected to demonstrate a high sense of responsibility in respect of devotion and dedication to duty, attendance to work and efficient services to customers to mention but a few.

Members of the Board of Directors of banks need to exhibit a high sense of leadership qualities and also take informed decisions to promote the development of their respective banks. Enos (2000) opine that the escalating competition among banks calls for more pragmatic approach to banking. Generally, the directors and staff of banks are expected to adopt a more purposeful approach towards their work in this era of competitive banking environment. This brings into sharp focus the need to expose them to the various types of training relevant to banking. When the Board of Directors and staff undergo training as required of them, they would be capable of effectively running the affairs of their respective banks to enable them to enhance their performances and consequently, compete favorably with their counterparts. They can deliver the goods, win the confidence of customers and attract more customers and ultimately maximize their profits, which is their ultimate aim. It is, therefore, imperative on the part of banks to assess the training needs of their staff and directors and give them training to complement their store of knowledge and also introduce them to entirely new ways of doing things better, so that they can discharge their duties creditably. The aim of the study, therefore, was to investigate the effectiveness of training as an instrument for performance improvement in the modern banking industry.

Statement of the problem

The focus of the research was on the following problem areas. One area of concern was the perceptions of the staff and Board of Directors about the concept

of training in banking and their awareness of the training opportunities available to each group. It appears that, whereas they consider training as very vital to their development and are aware of the various training programmes available to them, the Board of Directors do not give it priority attention. As far as the bank continues to operate, they are content with the mediocre training the staff have undergone and, therefore, do not make much effort to ensure that they have the required training in banking. This issue has been a bone of contention between the directors and staff. Awini (2003) complains that some Boards of Directors are insensitive to the plight of staff of rural banks and, therefore, fail to see the effect of staff dissatisfaction on the performance of the banks.

Another issue is the type of training the junior staffs have undergone. It seems they have not been exposed to the requisite training programmes; hence, they rely wholly on the knowledge and skills derived from orientation course and on-the-job training to discharge their duties. Consequently, they do not have positive attitude towards customer satisfaction and are not well-groomed to have the air of confidence expected of bankers, among others. Again, they commit some avoidable documentary errors in the performance of their duties to the detriment of the bank. Asiedu-Mante (2002) asserts that financial problems have constrained the rural banks in offering competitive conditions of service to attract and maintain qualified and dedicated personnel. As a result of this, a great number of the recruited personnel are either unqualified or inexperienced.

Furthermore, the nature of training programmes managers and senior staff have undergone are not adequate to equip them to face the challenges in modern

banking industry. The type of training they have been exposed to centre mainly on the acquisition of knowledge and skills in financial administration to the neglect of issues on forecasting, planning, problem solving, communication, co-ordination, control and organization in the banks. Desimone and Harris (1998) reiterates that a significant complementary development in organizational structures of enterprises in recent years has been the attention to changing their management styles so that the set of managerial functions and roles is appropriate to their structures and strategies. Asiedu-Mante (2002) contends that due to the location of the rural banks in the rural areas, it has been difficult to get people of the right calibre and with the right type of skills to manage the banks.

Again, the competence of members of the Board of Directors is questionable. It appears most of the directors do not have even superficial knowledge and skills in banking. They are, therefore, found wanting in providing the requisite leadership and in taking well-informed decisions for the banks to grow and survive in the present-day competitive banking environment. Asiedu-Mante (2002) claims that the success of any institution depends to a large extent, on the ability and calibre of its Board of Directors and Management. He however laments that the supervisory duties in the rural banks by the Bank of Ghana reveal that this area needs a lot of improvement.

Objectives of the study

The main objective of the study was to ascertain whether training is a performance improvement tool in the modern banking industry. Specifically, the research seeks to:

1. examine the knowledge of staff and directors of rural banks on training;
2. describe the types of training in rural banks;
3. ascertain the level of training of the staff and directors of rural bank;
4. determine the relationship between training and support from donor agencies;
5. examine the contribution of training to the mobilization of funds / deposits by Rural banks;
- 6 examine the contribution of training to the attraction and retention of customers; and
7. assess the relevance of training in adopting information technology (IT).

Research questions

1. How do the knowledge levels of staff and directors on training determine the type of training in rural banks?
2. What types of training are designed for (which) category of staff and directors of rural banks?
3. How has training helped rural banks to attract the support from donor agencies?
4. How has training contributed to the mobilization of funds/deposits by rural banks?

5. In which ways has training helped rural banks to attract and retain more customers?
6. How has training enabled rural banks to adopt information technology?

Significance of the study

Findings from the research will be of much consequence to the staff and Board of Directors of rural banks. Firstly, it will bring to the fore the types of training available in the rural banks. If it is found out that the training programmes are not enough for them, efforts will be made by the Board of Directors in particular and management to make the requisite training programmes available in the banks.

Secondly, the research will bring to light the calibre of directors and staff in the rural banks. If it is realized that they have not been adequately trained, steps can be taken to ensure that they undergo the required and appropriate training programmes to make them more competent.

Finally, the impact of training on rural banks in respect of attraction of donor support, mobilization of funds/deposits, attraction and retention of customers and adoption of computer technology will be revealed. The Board of Directors and Management will then deem it imperative on their part to give priority attention to the appropriate training programmes that will promote the growth and development of the banks so that they can withstand the competitive banking environment.

Delimitation

The study was confined to six (6) out of the eighteen (18) Rural banks in the Brong Ahafo Region. These rural banks were Nsoatreman Rural Bank, Baduman Rural Bank, Ahafo Community Bank, Drobo Community Bank, Kintampo Rural Bank and Wamfie Rural Bank.

Limitations

The major limitation of the study is the sample size of thirty-five per cent (35%). The research was focused on only six rural banks in the Brong-Ahafo Region. It was the desire of the researcher to cover all the rural banks in the region but this was impossible because of time constraints. The researcher is however, hopeful that since rural banks have similar characteristics, the six rural banks will be representative of the others.

The research could not cover the other banks like the Ghana Commercial Bank, the Agricultural Development Bank, the Merchant Bank and the SG Social Security, Bank to mention but a few, because of financial constraint. It appears the calibre of the staff and directors of these banks in respect of training are higher as compared to the rural banks. Information from these banks on the research topic would, therefore, have been very interesting and useful to the researcher.

Again, by using some closed items in the questionnaires, the respondents were compelled to respond according to structures designed in the questionnaires. They were, therefore, not allowed to express their candid opinions on such items.

The above-stated limitations notwithstanding, it is hoped that the different forms of data collection employed in the study and the adherence to the various suggestions from the researcher's supervisor would ensure internal validity and credibility of the results.

Organization of the study

Chapter One concerns with the introduction, which is further divided into background to the study, statement of the problem, objective of the study, research questions, and significant of the study. Chapter Two deals with the literature related to the research topic. Chapter three is concerned with the methodology of eliciting information to answer the research questions. Chapter Four covers the analysis and discussions of the data brought to light from the research. Chapter Five deals with the summary, conclusions and recommendations. Suggestions for future research on the training of bank personnel and directors are also included in this chapter.

CHAPTER TWO

REVIEW OF LITERATURE

Introduction

Literature relevant to the research have been reviewed under the following sub-headings, namely; definition of training, types of training available in rural banks and training of the staff and directors of rural banks. Others are training and the attraction of support from donor agencies, training and mobilization of funds/deposits by rural banks, training and attraction and retention of customers and training and the adoption of computer technology.

Training and performance improvement

Training has been defined from various perspectives by different scholars. Noe (1999) opine that training refers to a planned effort by a company to facilitate employees' learning of job-related competencies such as knowledge, skills and attitudes. Casio (1992) contends that training consists of planned programmes designed to improve performance at individual, group and/or organizational levels. Raymond and Casio are therefore of the view that training is a systematic process of building human resource capacities. Mullins (1999) reiterates that training is a process to ensure adequate supply of staff, who are technically and socially competent, and capable of career advancement into specialist departments

or management. He therefore claims that training is an integral part of total quality management meant to improve knowledge and skills and to change attitudes.

Rao (1995) opines that training is an organized procedure, which brings about a semi-permanent change in behaviour for a definite purpose. The three main areas involved are knowledge, skills and attitudes with a definite purpose in mind. For all practical purposes, training is aimed at specific job-based objectives rather than the broad-based aims of education. Thus, the content of any training programme should include information useful to the effective performance of the job, ways of developing and improving skills and abilities that enable the attainment of speed and proficiency on the job and the means of cultivating the right attitudes and sound personal qualities in individuals. Rao therefore differentiates between training and education. Whereas training aims at developing the knowledge, skills and attitudes of individuals for a specific job, the aim of education is to develop the cognitive, affective and psychomotor domains of the individual not for a specific job or task but upon which training can be built.

Boella (1994) asserts that there are three main components of training namely; knowledge, skills and attitudes. In his opinion, each of these components can be developed or improved upon from an organization's point of view by effective training. Whereas knowledge can be imparted by talks, lectures and films, skills are acquired through practice. A person's set of attitudes can be modified or changed through discussions, case studies and role plays. Although,

scholars define training from different angles, they all agree on its cardinal purpose that is employees' competencies. Without training, employees would have to rely on their innate abilities in doing things, a situation which should not be thought of in this era of scientific and technological changes and competitive industrial environment.

The cardinal aim of organizations in training their employees is to ensure improved performances. Indeed, training and improved performances are bed – fellows. Improved performances of employees partly emanate from the type of training they undergo.

Cole (2002) contends that staff or human resource is the dynamic and most important among organizational resources. Indeed, the character and strength of an organization are invariably tied up with the quality and attributes of its staff, hence, staff training and development are critical for the survival of any organization.

Gilley, Egglund and Gilley (2002) claim that training is a process of facilitating organizational learning performance and change through organized (formal and informal) interactions, initiatives and management actions for the purpose of enhancing organizational ,performance, capacity, capability, competency, competitiveness and readiness.

Indeed, the growth and survival of organizations depend partly on the quality and quantity of either the goods they produce or the services they provide. Enhancement of output is therefore the principal goal of organizations. To achieve

this goal, there is the need to train their staff to be efficient and effective so that they can improve upon their performance.

Enos (2000) asserts that improved performance is a progressive achievement of tangible, specific, measurable and personally meaningful goals. Improved performance therefore means the measurable changes in knowledge, skills, attitudes and / or social behaviour.

Enos opines that the current rapid technological changes in the world compel organizational leaders to make efforts aimed at performance improvement.

Training opportunities available for the staff, managers and directors of rural banks.

In broad terms, we have the same types of training programmes for all organizations, institutions or industries. The difference lies in the content of courses, which is dictated by the objectives of the organizations, institutions or industries concerned. O'Connor, Bronner and Delaney (1996) claim that training is a very important process that must be linked to organizational goals. Consequently, they have come out with three types of training programmes. These are strategic, informational and operational. Strategic training takes into account long-term organizational goals and objectives, examples of which are the development of new or better products, operating with fewer people or expanding to a worldwide market. Informational training is based on the need to give employees all the requisite information about the organization, institution or

industry. Operational training efforts are those that hinge directly on the day-to-day operations of an organization, institution or industry and are directly related to an employee's job. Every organization offers operational training of one type or another because it is very vital to the on-going day-to-day activities. Examples of operational training are new work methods and procedures and skills needed to use new technologies or new skills required to upgrade the new job. It should be noted that Rural Banks train their staff to develop products in respect of expansion of their areas of operation, innovation and to ensure the effectiveness and efficiency of the existing products.

Hodgetts (1999) contends that different types of training can be given to an employee and that the type of training an organization adopts is determined by its objectives and the needs of the employees, which can be known through individual needs assessment. He claims that there are four types of employee training. These are apprentice, vestibule, on-the-job and off-the-job. Apprentice training is given to newly-employed people. The training is designed to teach them the roles governing the work and to provide an opportunity for applying these procedures. Apprentice training is undertaken both on and off the job. Vestibule training takes place in an environment that stimulates the actual work-place. The trainee is made to acquaint himself or herself with a particular job in the immediate neighbourhood of the work-place under a supervisor and later sent to the work place and assigned to do the job. On-the-job training is provided by the immediate superior or by fellow workers. It can be formal or informal and

usually takes the form of coaching the individual in the most effective ways of getting the work done.

An important benefit of this type of training is that it enables the individual to do the job in the right way, thus preventing defects of trial and error. The management of rural banks takes a serious view of the on-the-job training. Newly employed staff after orientation, are made to undergo on-the-job training in record keeping and cashiering in particular under the direct supervision of the manager or a senior staff. The off-the-job is undertaken outside the premises of the workplace. Usually people are made to undergo this type of training when they need to be trained in activities or acquire knowledge that are not technical in nature. This type includes training in effective communication, motivation and leadership skills. The off-the-job training programmes are undertaken during attachment courses, classroom instructions, conferences/seminars and workshops. Conferences/seminars and workshops are organized for the various categories of rural bank staff and directors under the auspices of the Association of Rural Banks, the ARB Apex Bank Limited and other partner agents of rural banks such as DANIDA. Topics on a variety of banking aspects are dealt with at such conferences/seminars and workshops.

Desimone and Harris (1998) echo the on-the job training. They categorize on-the-job training into three namely; training in basic skills/literacy education, technical skills and inter-personal skills. Remedial basic education in reading and writing are examples of basic skills. Examples of technical skills are

apprenticeship training and computer training and examples of inter-personal skills are communication, customer relations/service training and sales training.

Rao (1995) asserts that after an employee has been recruited, selected and inducted there is the need for him or her to be developed and trained to better fit the job and the organization. Development includes both training to enhance skills in performing a specific job and education to increase general knowledge and understanding of the organization's operations. Rao has come out with three main types of training namely operative training, management development and manager needs and developmental programmes. Operative training focuses on training programmes for non-managers to develop knowledge and skills to perform a job.

The four methods to be used under operative training are on-the-job training, vestibule schools, apprenticeship and special courses. The on-the-job training takes the form of a supervisor or a co-worker coaching a newly-employed person on how best a job has to be done. It has an advantage of motivating the trainee to learn since it is not located in the artificial situation of a classroom. The vestibule school is operated as a specialized endeavor by the personnel department. It usually trains for the same type of job as the on-the-job training. The reason for vestibule school lies in the law of functional growth. When the amount of training that has to be done exceeds the capacity of the line supervisor, a portion of the training is evolved from the line and assigned to staff through a vestibule school. Apprenticeship programmes are designed for a high level of skill and tend more towards education than on-the-job training or vestibule schools.

They are designed to teach people the roles for getting the work done and to provide an opportunity for applying these procedures. Special courses have been classified by some scholars as education rather than training. Yet special courses such as shop mathematics and blue print reading cannot be labeled as general education since they are directly related to people's particular job. Management development focuses on providing the junior staff with some forms of management skills of persuading, negotiating, coordinating, controlling, organizing and facilitating no matter how minimal they may be. The justification for this is that the executive job is so complex in nature that at a certain point in time, the manager or his immediate subordinate would be so occupied that they cannot pay attention to the details of their job schedules. In such an instance part of his work is allocated to persons outside the chain of command. Manager needs and developmental programmes focus on providing managers with training in inter-personal skills, which can be acquired through dramatization, behaviour modeling, sensitivity training, transactional analysis and structured insight. In the interest of a long-run general development of executive talent, efforts are made to train managers to acquire general knowledge in their respective fields of operation. General knowledge is acquired through courses, conferences/seminars and meetings.

Boella (1992) contends that the two main approaches to training are on-the-job and off-the-job training. With regard to the on-the-job training a newly-employed person is coached by a superior or co-worker on the most effective ways of getting the work done. Off-the-job training takes place away from the

working situation. A variety of methods and techniques may be used but the particular choice will depend on what is imparted. The main methods include talks, discussions, lectures and role playing. Coaching and mentoring are processes that enhance the performance of both individuals and corporate clients. They are processes that enable individuals and corporate clients to achieve their full potential. Parsloe (1999) emphasise the fact that coaching and mentoring contribute immensely to human resource development. Parsloe (1999) contends that coaching is a process that facilitates learning and development and consequently enhance performance.

Parsloe (1999) opines that mentoring is an off –line help by one person to another in making significant transfers in knowledge, work or thinking. They enumerate four (4) types of coaching and mentoring. These are business, executive, skills and performance coaching and mentoring. Business coaching and mentoring are linked with organizational change initiatives in order to help staff to accept and adapt to changes in a manner consistent with performance values and goals. Executive coaching and mentoring overlap with business coaching and mentoring in many respects. The main differences between them are that executive coaches and mentors have a track record in professional and executive roles; work exclusively with high-flyers or those who have potential to be high-flyers and work at board or chief executive officer level within an organization. Also, they offer total confidentiality and work with high profile business leaders.

Performance coaching and mentoring aim at performance enhancement rather than rectification of a performance issue. Skills coaching and mentoring have some commonalities with one to one training. Skills coaching and mentoring are tailored specifically to the individual; their knowledge, experience, maturity and ambitions are focused on achieving a number of objectives for both the individual and the company. Performance coaching and mentoring focus on providing a supportive and motivating environment to clients to explore what they want in life and how they might achieve their aspirations and fulfill their needs.

At any point in time, rural banks use one or a combination of these types of training. It is significant to note, that the type of training a rural bank embarks upon is determined by its objectives and the content of the training depends upon the form of knowledge, skills and attitudes it wants the employees to acquire. For example, if a rural bank wants to develop inter-personal skills in its employees, the content of the training will be focused on communication, customer relations/service training and sales training.

Training of the staff and managers of rural banks

The staff of rural banks is made up of two categories of workers namely; the junior staff and the senior staff. The junior staff consists of clerks, cashiers and typists. The senior staff comprises the manager, the accountant and the project officer. One may get the impression that since the junior staff of rural banks do not perform managerial and administrative duties, much attention should not be paid to their training. This impression is totally erroneous. Without

adequate training for them, no matter the level of training for the senior staff, the banks cannot perform creditably. Asiedu-Mante (2001) asserts that in varying degrees internal control is the responsibility of everyone in a bank and emphasized that elaborate training programmes covering all manner of staff should be prepared and implemented by rural banks on regular basis to enable the rural banks' staff appreciate the importance of internal control systems and to solicit their active involvement in the process. There is therefore the need to ensure that the junior staffs are given training in all if not most of the aspects of banking no matter how minimal they may be.

The rural banks have been plagued with the problem of unqualified personnel. The personnel have not been adequately exposed to the required training in banking. Asiedu-Mante (2002) asserts that the issue of high staff turnover has had negative repercussions on some rural banks. Financial problems have constrained the banks in offering competitive conditions of service to attract and maintain qualified and dedicated personnel. Consequently, a great number of recruited personnel are either unqualified or inexperienced and this has led to the less efficient management of the resources of some rural banks.

In order to accomplish its objective of providing adequate and more comprehensive training programmes for the junior staff, the ARB Apex Bank Limited has been organizing a variety of training on various aspects of banking for them since 2002 to complement the efforts of the Association of Rural Banks in this direction. Dadzie (2002) reiterates that training has been of prime importance to the Association of Rural Banks. He continues that every year the

staff and directors of rural banks in the country attend courses and seminars organized by the Association of Rural Banks with the assistance from Bank of Ghana and other donors. The objectives of these programmes are to improve and sharpen the skills of the staff and Directors for efficiency and capacity building. The ARB Apex Bank Limited (2005) outlines and implements different kinds of training programmes for the junior staff of rural banks. These programmes are meant to develop the knowledge, skills and attitudes of the staff to make them more pro-active. The training programmes are organized in the form of seminars, conferences and workshops. Among the areas covered are introduction to banking, money laundering and common frauds cashiering and records/archives management. The training in introduction to banking affords the junior staff the opportunity to know how banking evolved; ascertain the development of banking in Ghana; understand the Central Bank and how it emerged in Ghana and know the structures and functions of banks. The course content includes evolution of banking; the emergence and development of banking in Ghana; the structure of the banking system in Ghana; the functions and roles of banks; the peculiarities among the banks and the challenges and the way forward to the banking sector. The training in money laundering and common frauds in banking enables the junior staff understand the concept and techniques of money laundering as well as to expose them to fraudsters' operations in money laundering and initiatives to combat them. The content of the course includes the definition of money laundering; the basic stages in money laundering; the technique of money laundering; the effects of money laundering and the prevention of money

laundering. The training in cashiering enables the junior staff to understand the business of paying and receiving better and the accounting principles involved. The course content includes counter services; receipt of cash deposits and receipt of cheques as deposits or loan payment; payment of withdrawals; customer relations; internal controls and accounting for the cash souvenirs. The training in records/archives management is to enable the staff appreciate and understand the essence of effective record management towards planning. The course content covers the concept of record keeping, the reasons for record keeping, basic records of financial institutions - financial record keeping and improving general and corporate records management of rural banks.

The junior staff plays a very vital role in the success of banking institutions. Report on a forum for bank clerks (2000) asserts that bank clerks should ensure that their relationship with the public is very cordial since they (front line staffers) are the first point of contact to their establishments. It emphasizes that it is the responsibility of clerks to ensure the retention of customers of their respective banks. It is significant to note that training in effective cashiering enables bank clerks to adopt positive attitude towards their customers. Record keeping is very essential to the smooth running of any institution. Without properly kept records there cannot be any effective planning. Money laundering is a form of fraud and in order to keep any banking institution going, there is the need for the staff to have knowledge about how the perpetrators operate. Customer satisfaction, sound record keeping and knowledge about

money laundering among others can be brought about through systematic and purposeful training of the bank staff.

Managerial roles in rural banks are played by and large by managers in co-operation with the senior staff. Croft (1996) contends that as there are many hierarchical levels in the organization, so there are various managerial levels. We may have a senior manager, a branch manager and other managers at the lower level of the administrative hierarchy. A senior manager spends much of the time thinking about the long-term future direction of the organization. The branch manager may also think in longer-term but his greater concern is the achievement of weekly and monthly goals. Lower managerial levels are more concerned with the daily goals. In the modern banking institutions, computer analysts, economists and personnel directors, who run departments or sections perform managerial duties in one way or the other. Thus, in reality rural banks are managed by the manager in co-operation with the senior staff. In this study therefore, since the manager and the senior staff constitute the management of rural banks, the training of the former will be considered together with that of the latter.

The survival and growth of rural banks like any institution or organization depends on the competence of their managers. Croft (1996) opines that a manager is one who is responsible for getting things done through other people instead of doing the job alone. With stated objectives to achieve, he or she directs human activities with the help of other resources. The manager does not only have to get things done, he or she also has to ensure they are done as effectively and efficiently as possible, because this is the key to a successful organization.

Mullins (1999) reiterates that the manager is the dynamic, life-giving element. Without his leadership, the factors of production cannot be put to any effective use. In a competitive economy, the quality of performance of managers determines the success of a business. Mullins draws a distinction between efficiency and effectiveness of a manager. He claims that efficiency is concerned with “doing things right” and relates to inputs and what the manager does whereas effectiveness borders on “doing the right things” and relates to outputs of the job and what the manager actually achieves. This implies that the manager should have the ability to make good use of the resources at his disposal to achieve the set objectives of the organization. To be efficient, the manager must attend therefore to the input requirements of the job that is clarification of objectives, planning, organization, direction and control. For the manager to be effective, he must pay attention to outputs of the job that is performance in terms of such factors as obtaining best possible results in the important areas of the organization, optimizing use of resources, increasing profitability and attainment of the aims and objectives of the organization. Mainu (2001) contends that a manager of the rural bank is effective when he generates enthusiastic co-operation among workers, keeps customers satisfied and helps to maintain an atmosphere that will inspire confidence in the bank. To accomplish all these, the manager needs to be thoroughly familiar and practice procedures for dealing with people. Whether or not managerial effectiveness can be achieved depends on the combination of the manager’s personal attributes and the dimensions of his job.

In order to be efficient and effective, the manager should possess certain qualities and actively play particular roles in the bank. These qualities can be unearthed, developed and sharpened and the role effectively played when the manager has undergone the required training. Mullins (1999) contends that in order to carry out the process of management and the execution of work, the manager requires a combination of technical competence, social and human skills and conceptual ability. Technical competence relates to the application of specific knowledge, methods and skills to discrete tasks. Technical competence is likely to be required more at the supervisory level and for the training of subordinate staff and with the day-to-day operations concerned with the actual production of goods and services. Social and human skills refer to interpersonal relationship in working through other people and the exercise of judgment. The manager should have the ability to secure the effective use of the human resources of the organization. This involves effective team work and the direction and leadership to achieve coordinated effort. Conceptual ability is required in order to understand the complexities of operations of the organization as a whole, including environmental influences. It also involves decision-making skills. It should be noted that technical competence or conceptual ability vary according to level of organization at which the manager is working. Management has become more about managing people than managing operations, hence the social and human skills, which reflect the ability to get along with other people are increasingly important attributes at all levels of management. However, in order to carry out the process of management and execution of work, the manager requires a

combination of technical competence, social and human skills and conceptual ability. It is increasingly important for all managers to gain all these three skills, which can be acquired through training.

Mullins (1999) opines that managerial activities can be seen as a set of ten roles. These ten roles are categorized into three namely; inter personal roles, informational roles and decisional roles. Inter-personal roles are relations with other people arising from the manager's status and authority. The manager is a figurehead. He is a symbol and represents the organization in matters of formality. The manager is involved in matters of ceremonial nature, such as the signing of documents and being available for people, who insist on access to personalities at the top of the administrative hierarchy. Again, the manager is a leader. The leadership role is the most significant of his roles and it permeates all activities of a manager. The manager is responsible for staffing and the motivation of subordinates. The liaison role involves the manager in horizontal relationships with individuals and groups outside their own unit, or outside the organization. He is the link between the organization and the environment. The informational roles relate to the sources and communication of information arising from the manager's interpersonal roles. Informational roles include monitor role, disseminator role and spokesperson role. With regard to the monitor role, the manager should seek and receive information. The information enables the manager to develop an understanding of the working of the organization and its environment. The information may be received from internal or external sources and may be formal or informal. Concerning disseminator role, the manager should

transmit external information through the liaison role into the organization, and internal information through leader role between the subordinates. Indeed, the manager is the nerve-centre of information and his ability to pass on information facilitates delegation and makes the staff aware of the developments in the organization.

As regards the spokesperson role, the manager should transmit information to people outside the unit, such as the Board of Directors or other supervisors and the general public such as suppliers, customers, government departments and the press. It is significant to note that the dissemination of information of any kind to and from the organization is very essential for its effective management. The staff should be abreast with all the developments within the organization to enable them appreciate and understand emerging issues and also do what is expected of them. External information is also very crucial to the organization. For example, it enables the manager to identify customer needs and satisfy them. Also, competitors can be located and the prevailing market conditions with regard to new products can be known so that appropriate decisions and actions could be taken.

The decisional roles involve the making of strategic organizational decisions on the basis of the manager's status and authority, and access to information. Decisional roles cover entrepreneurial role, disturbance handler role, resource allocator role and negotiator role. With regard to entrepreneurial role, the manager should initiate and plan controlled change through exploiting opportunities or solving problems and taking action to improve the existing

situation. Concerning the disturbance handler role, the manager should react to involuntary situations and unpredictable events. When an unexpected disturbance occurs the manager must take action to correct the situation. Resource allocator involves the manager to use formal authority to decide where effort will be expended, and making choices on the allocation of resources such as money, time, material and staff. The manager decides the programming of work and maintains control by authorizing important decisions before implementation. Negotiator role relates to participation in negotiation activity with other individuals or organizations, for example, a new agreement with a supplier.

Decision-taking is very crucial for any organization. Well-informed decisions yield positive results for the organization and the opposite is the case when decisions are hurriedly taken without due reference to procedures. There is therefore the need for directors to acquire decision-making skills. Asiedu-Mante (2001) asserts that the managers and senior staff should have the responsibility for implementing strategies and policies approved by the Board and for developing processes that identify measure, monitor and control risks incurred by the bank. They are responsible for promoting high ethical standards of the entire staff. The managers and the senior staff plan, organize, direct and control activities of subordinate staff. It is worthwhile to note that training is essential for the effective performance of their duties. Dadzie (2002) claims that DANIDA, ESSA and the Association of Rural Banks in collaboration with PENTAX Consultants have organized training in the drawing of corporate plans and resource mobilization and allocation for managers of Rural Banks. Since managers are the users of

corporate plans of their banks, it is important that they prepare the documents themselves. Dadzie continues that training of managers in resource mobilization and allocation enables them to appreciate the importance of stakeholders' relations to the existence and growth of rural banks. Again, Dadzie (2002) claims that the Association of Rural Banks with the help of Danida organized a five-day course in credit management for project/credit officers of rural banks. The purpose was to help project/credit delivery. Indeed training in credit management enables project/credit officers to interpret balance sheet or statements of accounts in order to give proper appraisal of customers' loan requests. Asiedu-Mante (2001) claims that managers and the senior staff of rural banks are responsible for promoting high ethical, integrity and transparency standards. There is therefore the need on the part of management to behave professionally and win the confidence of customers. Despite the fact that the duties of managers in the bank are so demanding that they necessitate intensive training, some of them lack the requisite knowledge and skills in banking. Asiedu-Mante (2002) asserts that due to the location of rural banks in the rural areas, it has been difficult to get people of the right calibre with the right type of skills to manage the banks. He adds that many of the managers employed for the banks are virtually rejects from the commercial banks with rather dubious credentials. Asiedu-Mante (2002) observes that in recent times the banking industry in Ghana has been plagued with fraudulent practices with some leading to dire consequences. He laments that these malpractices emanate from the lack of knowledge on the part of managers about the ethics of the banking profession.

Pursuant to the ARB Apex Bank's policy to provide managers and the senior staff with comprehensive training in order to upgrade their knowledge and skills in banking and to make them adopt a more purposeful attitude towards their managerial duties, it has come out with a variety of training programmes. The ARB Apex Bank Limited (2005) outlines the following training programmes, which managers and the senior staff have been undergoing. The training programmes cover strategic management; group animation and dynamics; entrepreneurial development training and costing and pricing of loans and loan syndication. Others are loan recovery procedures and strategies; productivity, quality and work economics; business process re-engineering, leadership and strategic decision-making and computer appreciation. The training in strategic management enables managers and the senior staff to understand the roles and uses of strategic management in promoting and sustaining effective banking system/project management and to equip them with the necessary skills for preparing strategic/corporate plans and be able to formulate organization objectives and competitive strategies. The training programme in group animation and dynamics sensitizes managers and the senior staff on their social responsibilities in their development interventionists approaches via group animation and dynamics, sharpen their knowledge and skills in facilitating groups' formation and management for assistance through various schemes. The training in entrepreneurial development sharpens the knowledge and skills of managers and senior staff in business management and entrepreneurship; introduces them to the basic elements of business planning and their importance

in good business management and business success and exposes them to the important characteristics, skills and attitudes of entrepreneurs and thus dispels the entrepreneurial myths. The training programme in costing and pricing of loans grants managers and senior staff more insight into the concepts of costing and pricing, exposes them to the usage or application of cost systems for pricing decisions related to loan delivery; equips them with capacities for effective assessment of loan applications; enables them to appreciate the challenges of financial/credit management and how to improve their capacity to manage their loan schemes. The training in loan syndication enables managers and senior staff to acquire knowledge and skills on general conditions for loan syndication, loan agreements; loan documentation and registration and loan monitoring procedures. The training programme in loan recovery procedures and strategies enables managers and the senior staff to be abreast with procedures for setting loan recovery targets and monitor actual loan collection performance against set targets. Also it enables them to handle difficult accounts and determine when to write off bad account. Again, it enhances their appreciation of the role of the internal control department in monitoring recovery and performance of credit officers. The training programme in basic appreciation of finance and accounting affords managers and the senior staff the opportunity to appreciate the macro-economic environment and also understand financial statements, income statements, balance sheets, cash flows and the need for a business plan. The training in productivity, quality and work economics equips managers and senior staff with the skill to identify and apply the quality and productivity concepts and

approaches to improve work output and service delivery in the rural banks. The business process re-engineering training programme equips managers and senior staff with the knowledge about the current economic, financial, social and political features of the business environment; and the examination of the appropriate process, policies and resources. Also, it enables them to acquire skills on innovations for contemporary business environment. The training programme in leadership and strategic decision-making enables managers and senior staff to understand, appreciate and adopt innovative leadership roles and effective decision-making. The training in computer appreciation training programme introduces the managers and senior staff to Information Technology. All these training programmes are necessary if the banks are to survive in the present competitive banking environment. Without the required training of the staff, the banks cannot mobilize enough funds, attract and retain more customers and adopt new technology to ensure high performance.

Training of members of the board of directors of rural bank

The Board of Directors as the name implies directs the affairs of rural banks. Although members of the Board of Directors do not form part of the staff, their duties are of paramount importance to the survival and growth of the rural banks. Indeed, the Board is the supervisory body of rural banks. Asiedu-Mante (2001) contends that the Board is responsible for approval and periodically reviewing the overall business strategies and significant policies of the banks. The Board should understand the major risks run by the bank and set acceptable levels

for these risks and ensure that senior management takes the necessary steps to identify, monitor and control these risks. The Board should approve the organizational structure and ensure that senior management monitors the effectiveness of the internal control system. The Board of Directors is ultimately responsible for ensuring that adequate and effective system of internal controls are established and maintained. The Board of Directors provides leadership and strategic decision-making for the rural banks. Hodgetts (1999) opines that leadership is the process of influencing people to direct their efforts towards the achievement of some particular goals. He continues that leaders should therefore have visions of where they want the organization to go and the ability to create enthusiasm among the staff to pursue their goals. In order to provide quality leadership, leaders must have characteristics such as drive, originality and tolerance. Also, they must possess personal characteristics like superior mental ability, emotional maturity and problem-solving skills. These qualities can be attained through comprehensive training programmes.

Asiedu-Mante (2002) asserts that the success of any bank depends to a large extent on the ability and calibre of its Board of Directors. He reiterates that for members of the Board of Directors to be honest, competent and exhibit sound judgment in fulfilling the responsibilities assigned to them, they are required to possess some minimum educational qualifications, professional experience or special expertise. He reiterates that on expectation of the Bank of Ghana at least one of the directors must be an experienced banker, economist, accountant or a lawyer among others to assist the Board in understanding fundamental operational

issues and appreciating financial statements for policy formulation and co – ordination.. Despite the need for the Board of Directors to possess some if not all the qualities and experiences as outlined above, most of them are found wanting in these respects. Asiedu-Mante (2002) contends that the supervision duties on the rural bankers by the Bank of Ghana revealed that the banks lacked the right calibre of directors.

For the Board of Directors to attain the requisite leadership qualities and experiences, and direct them to the growth and development of their banks, so that, they can withstand the competition in the banking industry, there is the need for them to be trained. Dadzie (2002) reiterates that Directors of rural banks have had training in the drawing of corporate plans and resource mobilization and allocation. Training in corporate plans enables them together with their managers to understand and prepare documents that will be suitable for the growth and development of their respective banks. He adds that training in resource mobilization and allocation enables Directors of rural banks to appreciate the need to ensure cordial relationship between their banks and stakeholders. The ARB Apex Bank Limited and the Bank of Ghana have taken radical steps in this direction. Asiedu-Mante (2002) claims that, the Bank of Ghana has and continues to support training programmes of rural banks. He continues that training programmes that cover directors are critical to the success of the rural banking scheme. Training programmes for Directors as outlined by ARB Apex Bank Limited (2005) cover leadership and strategic decision-making, loan syndication course and loan recovery procedures and strategies; Bank of Ghana reporting

requirements; statutory requirements for share transaction procedures; role of rural and community banks in poverty alleviation and rural development; credit management evaluation and appraisal and training in annual planning and budgeting.

The relevance of training programmes in leadership and strategic decision-making, loan syndication and loan recovery procedures and strategies has been dealt with in this chapter. Training programme in Bank of Ghana reporting requirements enables the directors to appreciate among others the Banking law, the BSD returns submitted by the rural banks to Bank of Ghana and understand the computation and importance of the capital adequacy ratio. Training in statutory requirements for share transaction procedures equips the directors with the knowledge and skills in the statutory requirements relating to the issues or sale of shares, issue of bonus shares as well as procedures for individual declaration and settlement. The training programme in the role of rural and community banks in poverty alleviation and rural development enables the directors to sensitize the directors about rural banks' role in private sector development and public sector institutional support. Training in credit management, evaluation and appraisal enables the directors to carry out effective credit investigation, analyse credit information and make sound decisions on credit. It also enables them to appreciate the various steps involved in the evaluation of projects and valued securities offered as collaterals. The training programme in annual planning and budgeting enables directors to acquire knowledge about planning and its importance; the preparation of annual plan and

budgeting; the process of planning; how to monitor the banks' actual plan and budget, how to monitor the banks' actual operation and the corrective action to take after analysis of variances. All these training programmes are necessary to enable the rural banks to achieve their objective to mobilize enough deposits; attract and retain more customers and adopt new technology.

Training and the competitive banking environment

Banks are business oriented organizations; hence their major pre-occupation is to make profits. Their objective of making profit cannot be achieved on a silver platter because of the competitive environment in which they operate. Banks compete with each other to attract support from world financial providers, develop products, attract and retain customers and adopt new technology to enhance their performances. The retail banks such as the Ghana Commercial Bank, the Standard Chartered Bank Ghana Limited, the Barclays Bank of Ghana Limited, the Agricultural Development Bank and the Rural Banks are in constant competition against the merchant banks like Merchant Bank (Ghana) Limited, the Ecobank (Ghana) Limited, the Continental Acceptances Limited and the Metropolitan and Allied Bank. The activities of the retail banks involve transactions of low values but large volumes, whereas the transactions of the merchant banks involve high values but relatively low volumes. As a result of Competition and economies of scale, in wholesale activities interest rates are relatively lower than those obtained in retail activities. The traditional "Susu" group is also a force to reckon with in terms of mobilization of funds and the

granting of credit facilities to people. There is also internal competition among the retail banks. The Chartered Institute of Bankers (1998) reiterates that the retail banks do not operate in a vacuum. A host of factors influence them to compete fervently with each other. The Institute continues that the springing up of new banks, coupled with the complete deregulation of the banks' interest rates in 1987 and the adoption of indirect controls by the Bank of Ghana have made the banking business in Ghana more competitive. Banks are confronted with global challenges, quality challenges, customer attraction and retention challenges and high performance work system challenges. These challenges can be overcome through the training of the banks' staff and directors.

Training and attraction of support from donor agencies by rural banks

The banks in Ghana face competition on the global market. Addo(2000) claims that the banks in Ghana are gradually being globalized as they have access to the global market through their correspondent banks or their parent companies as in the case of Barclays Bank of Ghana Limited and Standard Chartered Bank Ghana Limited. Addo (2000) continues that for the banks to be able to compete on the global market, they need to develop into strong and responsive institutions. The aim should be for the banks to develop the capacity and expertise to be able to attract long-term investment capital into the country for economic development. There is therefore the need to train bank personnel to acquire the requisite skills and professional competence comparable to international standards. In order to be able to have a share of the global market, banks in Ghana

should train their staff to provide them with the expertise in project preparation, investment negotiation, facility syndication, management of international financial transactions, expertise in future market operations and in the management of interest rate and foreign exchange risks. The possession of these expertise enables banks to initiate international business proposals and negotiate with their international counterparts confidently and successfully. The expertise for managing risks efficiently minimizes the development of non-performing loans and enables banks to present a strong balance sheet to counter parties who, invariably base their decisions on the quality of a bank's balance sheet and earning capacity. Furthermore, in order to face the global challenge, the bank must be equipped with the state-of-the-art information technology and systems in computerization. Training of personnel in these areas facilitates execution of international business communication with international counter-parties. Addo (2002) emphasizes that the banks should be mindful of the fact that time is money and, therefore, timelessness and efficiency are critical factors on the global market.

Training and mobilization of funds/deposits by rural banks

The quality challenges facing banks can be overcome by the training of their staff and directors. Quality in this respect means how well a product or service meets customer needs. Bray (2001) contends that for the bank or rural banks to be successful in intermediation, they must tailor their products and their denomination to satisfy the desires of their customers. Training provides the staff with the basic information about the bank as well as an in-depth presentation on

how to address issues relating to quality improvement. The ARB Apex Bank Limited (2005) training programme on productivity, quality and works economics is meant to enable managers to identify and apply the quality and productivity concepts and approaches to improve work output and service delivery.

With the view to mobilizing deposits for on lending to customers, the banks continue to embark upon the development of products. The development of products has brought in its trail the need for comprehensive training for their staff and directors. Without training, attractive products cannot be developed. Bray (2001) reiterates that products can be developed in many ways depending on the particular phenomenon that provokes the innovation. Management might decide to increase market share by expanding the domain of operation of the bank to introduce a new product altogether. Alternatively, they might aim at providing savers with higher returns on their deposits or improve upon the over-all efficiency of the bank in question.

The major developments, especially in the retail banking sector with regard to the expansion of banks' areas of operation are issues of parallelism, the setting up of mobile banks, the encouragement and support from banks for the formation of co-operatives by the customers and the building of effective linkages with other micro-finance groups. All these measures are aimed at accelerating funds/deposit mobilization. It is significant to note that their success in this respect depends mainly on the level of training of their staff and directors.

One way by which banks mobilize funds/deposit is through parallelism. The Chartered Institute of Bankers (1998) states that parallelism relates to

duplication, parallel function or coincidence of activities. The constitutions of most of the banks, especially, the retail banks give them wider room to manoeuvre and operate outside their intended sphere of operation. The banks do not adhere to the activities for which they are established. The Chartered Institute of Bankers (1998) claims that, the rural banks in particular continue to open branches in both the rural and urban areas. Asiedu-Mante (2002) echoes that in recent times it has become a common practice to find rural banks opening agencies and branches in the urban centres. The banks are embarking upon these activities with the hope of attracting more customers and deposits. Indeed parallelism has brought in its trail intense competition among the banks. There is no gainsaying therefore that the banks need appropriate training for their staff and directors if they are to have their share of the market. The decision to establish a branch or an agency for any bank rests with its management and directors. This calls for the need to be trained in strategic decision-making and marketing appreciation and relationship so that the bank can reap the maximum profit from its expansion. Also, the training and re-training of the staff, who are assigned to such agencies and branches is necessary to upgrade their knowledge and skills in banking so that they can cope with the situation. Branch or agency officers need to be trained in managerial roles. Mullins (1999) reiterates that managerial activities, which are a set of ten roles can be categorized into three namely; inter-personal roles, informational roles and decisional roles. Mullins continues that the manager requires a combination of technical competence, social and human skills and conceptual ability in order to carry out the process of management and execution of work.

The staff on the other hand need to be trained or re-trained in areas such as cashiering, communication skills and records / archives management to mention but a few to enable them to live up to expectation. The ARB Apex Bank (2005) remarks on the importance of training clerks in these areas. Training in cashiering enables the staff to understand better the business of paying and receiving and the accounting principles involved. Also, it enables the bank staff to be customer-focused. Training in communication enhances the communication skills of the staff and ensures service excellence within the banking sector. Hodgetts (1999) asserts that many organizations are finding out that effective communication is the key to their over-all ability to compete. Training in records/archives management provides the staff with knowledge and skills in basic record keeping, financial record keeping and effective use of office/bank documentation. It is important to note that records management is the bedrock for planning.

Another method banks adopt to mobilize funds/deposits is the rendering of mobile banking services. The Chartered Institute of Bankers (1998) claims that some of the banks provide mobile services, whereby they go to the door steps of customers for deposits in a form similar to street banking (or susu) and providing micro-financing to the people. These facilities liberate the rural dwellers from the pawns of "susu" operators. It should be noted that the transactions involved in this deposit mobilization exercise is so complex that there is an urgent need for the staff to be properly trained, especially in cashiering, communication skills and records/archives management. A bank that fails to build its human resource

capacities cannot compete favorably with its counterparts in the mobile banking service.

Furthermore, rural banks put in place a revolving fund that would be accessed by a particular group of people in turns. Bray (2001) contends that in this way the bank encourages peer monitoring of the loans. Then if enough deposits are mobilized, the particular rural bank ensures that it competently screens all loan applications so that the funds are directed to only good projects. There is also the need to recover the loans regularly. This cumbersome product calls for training of project officers, credit officers, managers and directors, if the bank is to succeed in this exercise. The ARB Apex Bank Limited (2004) outlines training programmes suitable for project officers to carry out their duties successfully. Among them are report writing, costing and pricing of products and services and loan supervision and monitoring procedures. Report writing enhances the ability of project officers to present reports in an organized, concise and detailed manner to benefit the target beneficiaries. Training in costing and pricing of products and services enables them to classify costs, discuss cost systems, determine break-even points and use cost system for pricing decisions. Also, training in loan supervision and monitoring enables the project officers to know loan approval processes, documentation and release of loans; appreciate the performance control procedures to minimize the misuse of loan funds by borrowers and the purposes of post-loan visits to borrowers and bank-financed projects. The ARB Apex Bank (2005) outlines and implements training programmes appropriate to credit officers for this product. Credit officers also

need to be trained in loan supervision and monitoring. In addition, they require training in credit management, credit evaluation and appraisal to enable them to carry out effective credit investigation, analyse credit information and decisions on credit. Also it enables credit officers to appreciate the various steps involved in the evaluation of projects and value securities offered as collaterals. The ARB Apex Bank (2004) has come out with training programmes appropriate for managers to execute their duties in this respect. Among them are training in report writing; marketing appreciation and relationship banking; costing and pricing of products and services loan supervision and monitoring; credit management, evaluation and appraisal and loan delinquency management and portfolio reporting. The relevance of all these types of training has been discussed with the exception of the training in loan delinquency management and portfolio reporting. Training in loan delinquency management and portfolio reporting equips managers with the skills and capacity to identify and analyse the cause of delinquency; control delinquency; manage delinquency crises; develop action plans to address delinquency; perform portfolio quality analysis and prepare standard portfolio reports.

Members of the Board of Directors also need to be trained for the successful implementation of this product. The ARB Apex Bank Limited (2005) claims that Board of Directors need training in loan supervision and monitoring; credit management, evaluation and appraisal and loan recovery procedures and strategies, which have been discussed. Furthermore, banks are making all efforts to improve the efficiency and effectiveness of existing products and processes in

order to survive and grow. The Institute of Chartered Bankers (1998) claims that the retail banks are offering competitive interest to attract more customers. Also interest rates are paid on certain minimum deposits on current account. A Bank can add these qualities to existing products after taking its financial position into consideration. These steps also necessitate training of managers, accountants and the Board of Directors. The managers, accountants and senior management staff need to be trained in assets and liability management. The ARB Apex Bank Limited (2004) claims that the objective of this training is to enable the management to interpret financial statements, using liquidity, profitability, leverage and solvency ratio. The Board of Directors and management of banks require training in Bank of Ghana reporting requirements. The training will equip them with the knowledge and skills in BSD reporting formats and computation of the capital adequacy ratio.

The ARB Apex Bank Limited (2004) asserts that in a competitive environment, rural banks would need to improve service, productivity, product innovation and marketing skills as well as management. This is because existing products quickly enter their declining stage in which sales revenue reaches its lowest ebb. In addition, consumer tastes and preferences keep changing all the time and this call for innovation of products and processes on regular basis.

The rural banks continue to build effective linkages with other micro-finance institutions to attract more customers/deposits. Al-Hassan (2001) claims that the linkage is a collaborative effort aimed at improving service delivery. He contends that a number of linkages exist between financial intermediaries. Among

the examples of such linkages are banks holding deposits for "susu" collectors; lending from banks to clients through "susu" collectors; non-governmental organizations holding deposits with banks and channeling of loans to clients through banks and credit unions taking loans from non-governmental organizations and holding deposits in banks. The Chartered Institute of Bankers (1998) asserts that as a measure to mobilize deposits some retail banks savings account is linked with insurance policy as in the case of the Standard Chartered Bank. Cudjoe (2002) claims that, some rural banks have embarked upon micro insurance projects. The micro-insurance projects are based on partner agent model. The rural banks act as commission agents, while selling and insurance product(s) on behalf of the insurance company. The insurance company pays an agreed percentage of the total premium as commission to the rural banks on a monthly basis. The sale of insurance products in the rural banking sector calls for intensive training of the directors and staff of rural banks. Cudjoe (2002) contends that rural bank's boards and management have to improve their perceptions about insurance products and their knowledge about the potential risks and gains and the staff must acquire knowledge of best practices regarding the implementation of insurance products in the rural banking environment. Effective linkages call for adjustments in operations such as speedy evaluation of loan applications, provision of frequent repayment schedules accompanied by prompt loan collection procedures which will facilitate monitoring of borrowers and measures to ensure prompt loan disbursement. Computerization of management information systems can help in loan tracking. The need for close monitoring of loan use and

monitoring of loan repayments means that rural banks have to get involved in assisting their partners to improve their record-keeping and data analysis systems and enhance the quality of business management by clients. All these necessitate training in effective credit management and loan syndication, loan agreements and loan approval/disapproval procedures, if banks are to achieve their objective of mobilizing deposits.

Training, attraction and retention of customers to rural banks

One area in which rural banks focus their attention in a bid to enhance their profit levels is customer attraction and retention. Rural Bank like all other banks depend on customers to mobilize funds/deposits for lending to people to make profit. It is therefore incumbent on them to attract more customers and at the same time make sure that the customers continue to patronize their services and products.

The need for the staff of rural banks to adopt customer-focused practices is therefore very essential for the growth and development of their respective banks. The banks have to ensure that their products and services satisfy the tastes and needs of their customers. The Chartered Institute of Bankers (1998) reiterates that consumers globally want their financial service providers to treat them as valued customers, by providing personal and caring service. In addition they expect their financial service providers to offer them responsive service, quickly resolve their problems and readily provide them with requested information. It is significant to note that the way banks tackle customer problems is particularly critical in this era

of competitive banking environment. Customers, who are satisfied with how their banks solve their problems, become more loyal customers, as well as active advocates for them.

Report on a forum for bank clerks (2000) remarks that clerks as front line staffers of banks must ensure the retention of their customers. It adds that attitudes that send negative signals, such as rudeness to customers and creating the impression of doing a customer a favour by serving him must be avoided. Customers can be attracted and retained when the banks win their confidence. There are different ways by which banks can do this. Among them are the adherence to banking ethics and observance of the code of secrecy. Report on a forum for bank clerks (2000) reiterates that the issue of ethics and the banking profession are critical for people to gain confidence in the banking system in order for the banks to achieve their objectives. Banking is an honourable profession and therefore bankers are expected to live up to expectation. The Chartered Institute Bankers (1998) enumerates some of the banking ethics, which bankers are expected to display. Among them are the possession of technical knowledge in banking, respectfulness, courtesy, honesty, sincerity and tolerance on the part of bankers. The observance of the code of secrecy by the staff of banks helps them to attract and win the confidence of customers. The Chartered Institute of Bankers (1998) contends that bankers are bound by an oath of secrecy, which forbids disclosure of the bank's secrets to the public unless specifically required by the customer or by law. Breach of the code of secrecy can result in the banks losing valued customers and its reputation. Among the practices that constitute

violation of the code of secrecy are the revelation of customers balance to third parties without the consent of the customer; disclosure of records in the bank's books of account to outsiders without the express authority of the bank; revelation of decisions taken by the management of the bank in respect of its employees and the disclosure of the bank's affairs to the public media without authorization from the management. It is worthwhile to note that training of the staff on the ethics in banking enables them to live up to expectation and satisfy their customers. Also training of the staff in banks' code of secrecy enables them to maintain their dignity and reputation. Consequently, customers will not only be attracted to the banks, but will continue to stay with them.

The ARB Apex Bank Limited (2004) claims that training programmes in cashiering and customer care enable the bank staff to adopt positive attitude towards customers to win their confidence. Training in cashiering makes the staff caring and also attentive and responsive to customers. Training of the banks' staff in customer care equips them with the knowledge; skills and attitudes to attract and keep customers. Customers expect the staff to accord them the due respect. The Chartered Institute of Bankers (1998) asserts that customers, who are satisfied with how their financial provider handles their problems become more loyal customers.

Training in public relations also come to the fore in this respect. Mainu (2001) asserts that good public relations advances the interest of business by straightening up the misconceptions arising from lack of information or from incorrect information about the firm's products or services. It also generates trust

in management decisions and improves relations. Training in public relations enables the staff to acquire qualities such as empathy, attentiveness, receptiveness and ability to communicate effectively. Training of the bank staff is therefore indispensable for the attraction and retention of customers.

Training on internal controls attracts and retains customers by winning their confidence. Managers and senior staff of rural banks must be knowledgeable and skilful in internal controls if their banks are to survive in the current competition banking environment. Asiedu-Mante (2001) contends that a system of effective internal control is a critical component of bank management and a foundation for the safe and sound operation of banking institutions. A system of strong internal control helps to ensure that the goals and objectives of banking institution are met and that the banks achieve long-term profitability targets and maintain reliable financial and managerial reporting. Also, such a system helps to ensure that banks comply with laws and regulations as well as policies, plans, internal rules and procedures and decreases that risk of unexpected losses to damage the reputation of banks. Aseidu-Mante (2001) opines that lapses and malpractices emanating from inadequate and or weak internal control result in loss of monies to the banks concerned and to their shareholders and customers alike. They also create solvency and liquidity problems for the affected banks and impact negatively on the image of rural banks as a whole.

Training and adoption of information technology by rural banks

The adoption of information technology calls for changes in the requirements and work roles. The computer allows the production of different products simply by reprogramming it. Also through technology, the information needed to improve customer service and product quality becomes more accessible to employees. The computerization of the operations of rural banks has of late become the order of the day. The Institute of Chartered Bankers (1998) claims, that in their effort to attract more customers, banks now adopt the increasing use of computers to improve their services. Addo (2000) asserts that banks in Ghana are gradually being globalized as they have access to their correspondent banks in Europe and the United States of America through the E-mail, the swift system and the internet. Duffuor (2000) remarks rapid advancement in electronic technology and communications have connected the world's banking sectors into an integrated one. Nkrumah (2000) contends that global business is brisk and instant access to information is crucial to improve banks' competitiveness. The technology has also helped the banks around the world to innovate various financial products to meet the new demands of their customers. He adds that huge investment in information technology by itself may not necessarily lead to success. Hardware and software should not be viewed as a way of solving specific problems. Indeed how banks gather, manage and use information determines whether or not they will be winners or losers in this era of competitive banking environment. Training of the staff of banks is therefore a prerequisite for the adoption of information technology. Duffuor (2000) emphasizes that for a bank to

be a winner in the competition in which they are entangled, nothing should be more important than the development of the requisite human resources adequately motivated and capable of handling the latest information technology and computer systems. Nkrumah (2000), remarks that banks have adopted computerization of their operations. He adds that what one is not sure of is their capacity for maintenance up-grading and back-up in emergency situations. Indeed automation that is not dependable is worse than slow manual operation. Nkrumah (2000) contends that an antidote to ineffective automation of banks operations is systematic training of old hands as well as imaginative recruitment of fresh brains. He continues that unless we are ready to admit that some of our old information technology, specialists are washouts and are prepared to replace them we are unlikely to achieve optional benefit from huge investment in modern information technology. The need to comprehensive training of the staff of banks before full benefits can be derived from adoption of new technology cannot be over-emphasized.

Rural banks acknowledge the importance of automation of their banking operations Asiedu-Mante (2002) asserts that appropriate automation of banking operation ultimately brings about efficiency. This can be achieved by assessing the capacities of the equipment to capture fully the transactions and control of their operations. Asiedu-Mante (2001) contends that while the world is going high-tech in banking operation, Ghana cannot afford to stand by and refuse to take advantage of the efficiency and benefits that accompany automation. He continues that technology as a tool for speedy and efficient operations has gained

acceptance in the banking industry. Most banks now have fully fledged information technology departments supporting their deep dependence on information technology. The adoption of high technology in banking is not without problems Asiedu-Mante (2002) asserts that although, the high technology revolution has brought undeniable benefits to the banking industry, it has also brought in its trail risks which have to be identified and managed to make the use of the technology effective. Effective controls must precede or at least accompany the introduction of the technology. There are various types of risks. Risks can be internal, posed by the organization itself or external caused by outsiders. Again risks can be physical and tangible such as damages to computer sites or destruction of files. Furthermore, risks to information can stem from different sources such as nature, human beings or technology. Human beings can generate risks advertently or inadvertently. For example keying-in operators can falsify monetary transactions. In view of the risks involved in the adoption of high-technology in banking operations, there is the need for especially the managers and senior staff to be trained in the management of these risks. Asiedu-Mante (2002) contends that all system users must be trained in the need for system protection and in institutional security procedures. For instance, the deployment of personal computers and the use of new net-working technology greatly increase the need for data security and physical inventory control processes. Managers must evaluate the sufficiency of controls and must appraise actions taken to correct control weaknesses. Training plays a vital role in all these respects. Employees need job-specific knowledge and basic skills to work with

the equipment created with the new technology. Since technology is often needed as a means to achieve product diversification and customization, employees must have the ability to listen and communicate with customers. The ARB Apex Bank (2004) outlines and implements training in computer appreciation for managers, accountants and other senior officers of rural banks to enable them to be abreast with computer technology.

CHAPTER THREE

METHODOLOGY

Introduction

This chapter deals with the study area, population, sampling technique, sample for the study. Also, it covers research design, the research instruments, validity and reliability of the instruments, pilot study, data collection procedure and data analysis.

Study area

Study area is the area where the research was conducted. The study area for this research was Brong Ahafo Region.

The Brong Ahafo was created on April 4, 1959. It was then part of the Ashanti Region, known as Western Ashanti. In terms of landmass it is the second largest region in Ghana, with a territorial area of 39,557sqkms. The regions shares boundaries with the Northern region to the north, Ashanti and Western regions to the south, Volta region to the east, Eastern region to the south east, Cote d'Ivoire to the west.

The year 2000 population figure of the region is estimated at 1,824,827. The region has an average growth rate of 1% and an economically active

population (15 – 64 years) of about 842,230 out of which approximately 73% live in rural areas.

The region has eighteen (18) administrative districts. The Brong Ahafo regional capital is Sunyani.

The region has a tropical climate with temperature averaging over 23.9°C (75°F) and a double maximum rainfall pattern, the rainfall ranges from an average of 45” or less in the northern parts to 65” in the southern parts.

An estimated 70 percent of Brong Ahafo’s population is engaged in agriculture and agriculture related businesses. The main cultivated crops are maize, yam, cashew, cocoa, coffee, garden eggs, cassava and plantain. Industrial crops such as oil palm, cashew, cocoa and coffee are also cultivated on large scale. Goats, cattle and poultry constitute the main livestock products in the region.

The road network in Brong Ahafo consists of highways, urban roads and feeder roads (Brong Ahafo Regional Coordinating Council, 2007).

The rural banking activity in Brong Ahafo region started in 1979 during a period of national economic decline when the existing orthodox banks were failing to address the very needs of the rural poor. The first rural bank to be established in Brong Ahafo region was Kintampo Rural Bank Ltd. The promoters of the bank established the bank to meet the dual objectives of financial intermediation and poverty alleviation within the Brong Ahafo region.

There are eighteen (18) rural banks as at the time of this research. These are the district and municipalities where rural banks can be found, Nkroanza,

Dormaa, Asutifi, Sunyani municipal, Berekum, Asnafo, Asunafo North, Kintampo South, Kintampo, Tano South, Tano North, Tain, Wenchi, Jaman, Jaman North, Atebubu-Amantin, Sene and Techiman municipal.

Population

The target population comprised the staff and directors of all the rural banks in the Brong-Ahafo Region. The rural banks in this region were chosen because of three main reasons.

Firstly, the researcher is resident at Sunyani in the Brong-Ahafo Region; hence, the rural banks were easily accessible to him. Secondly, the researcher is the general manager of Nsoatreman Rural Bank in the region and therefore familiar with most of the staff and directors of the rural banks in the region, who would readily make their services available to him. Thirdly, the researcher realized that the rural banks in the Brong-Ahafo Region have since 2000 taken seriously to the training of their staff and directors and therefore hopeful that they will provide viable information for the study. The researcher capitalized on the first two advantages that is accessibility and familiarity to ensure high respondent rate and on the third to obtain reliable information for the study. There was a total of eighteen rural banks in the Brong-Ahafo Region as indicated in Table 1 as at the time of the study.

Table 1: Components of the target population

Name of bank	Junior staff		Senior staff		Managers		Directors		Total		Grand total
	M	F	M	F	M	F	M	F	M	F	
Nsoatreman Rural Bank	21	14	10	2	2	-	5	-	38	16	54
Asutifi Rural Bank	23	4	4	1	1	-	5	-	33	5	38
Baduman Rural Bank	30	4	6	1	1	-	7	-	44	5	49
Bomaa Rural Bank	10	3	3	-	1	-	5	-	19	3	22
Drobo Community Bank	8	1	2	1	1	-	5	2	16	4	20
Fiagya Rural Bank	13	3	10	2	1	-	7	-	31	5	36
Kintampo Rural Bank	16	4	8	1	1	-	8	-	33	5	38
Nafana Rural Bank	6	1	2	-	1	-	7	2	16	3	19
Nkoranman Rural Bank	26	4	31	3	1	-	7	-	65	7	72
Nkoranza Rural Bank	31	5	3	-	1	-	6	-	31	8	39

Table 1 continued

Suma Rural Bank	29	5	4	-	1	-	9	-	43	5	48
Tano Rural Bank	27	6	3	2	1	-	7	-	38	8	46
Tano Agya Rural Bank	14	6	4	6	1	-	5	-	29	12	41
Wamfie Rural Bank	16	6	10	1	1	-	11	-	38	7	45
Yapra Rural Bank	19	5	5	3	1	-	7	-	32	8	40
Capital Rural Bank	34	4	8	2	1	-	3	2	46	8	54
Derma Rural Bank	20	6	5	-	1	-	6	1	32	7	39
Ahafo Community Bank	23	7	3	1	1	-	7	-	34	8	42

Source: Fieldwork, (2006)

Sampling technique

Purposive and simple random sampling techniques were used. The purposive sampling technique enabled the researcher to select the rural banks that would provide the required information. By using this sampling technique six out of the eighteen banks were selected for the study as indicated in Table 2.

Table 2: Components of the Accessible Population

Name Of Bank	Junior		Senior		Managers		Directors		Total		Grand total
	staff		staff								
	M	F	M	F	M	F	M	F	M	F	
Nsoatreman Rural Bank	21	14	10	2	2	-	5	-	38	16	54
Wamfie Rural Bank	16	6	10	1	1	-	11	-	38	7	45
Baduman Rural Bank	30	4	6	1	1	-	7	-	44	5	49
Ahafo Community Bank	23	7	3	1	1	-	7	-	34	8	42
Drobo Community Bank	8	1	2	1	1	-	5	2	16	4	20
Kintampo Rural Bank	16	4	8	1	1	-	8	-	33	5	38
TOTAL	114	36	39	7	7	-	43	2	202	45	248

Source: Fieldwork (2006)

The junior staff comprised 114 males and 36 females. The senior staff consisted of 39 males 7 females and the managers comprised 7 males. The Board of Directors was composed of 43 males and two 2 females.

Sample

The simple random sampling technique was used to select one-third of the junior staff, the senior staff and directors of each bank because the rural banks have similar characteristics. The simple random sampling was used in order to ensure that the selection of the elements was unbiased and also to obtain a representative sample, that is, the sample that has the important characteristics of the population from which it was drawn. In an attempt to get the one third of the accessible population, numbers ranging from one (1) up to the number in each respondent group were written on pieces of papers, which were folded and put in a box. The box was shaken to stir the content. Members of each group were asked to pick one (1) of the pieces of papers from the box. Members who picked numbers that fell within the required one-third ($1/3$) range beginning from one (1) were selected as sample for the study. The managers of the six (6) banks were selected because the researcher felt the information on the research topic from all of them would be necessary.

The sample for the junior staff comprised 40 males and 10 females. The sample for the senior staff consisted of 12 males and 3 females and the sample for the directors was composed of 15 males. Seven (7) managers from the selected banks constituted the sample for the managers. The sample size was 35% of the accessible population.

Table 3: Number of respondents

Name Of Bank	Junior staff		Senior staff		Managers		Directors		Total		Grand total
	M	F	M	F	M	F	M	F	M	F	
Nsoatreman Rural Bank	9	3	3	1	2	-	2	-	16	4	20
Wamfie Rural Bank	5	2	4	-	1	-	4	-	14	2	16
Baduman Rural Bank	10	1	1	1	1	-	2	-	14	2	16
Ahafo Community Bank	8	1	1	-	1	-	2	-	12	2	14
Drobo Community Bank	3	-	1	-	1	-	2	-	7	-	7
Kintampo Rural Bank	5	2	2	1	1	-	3	-	11	3	14
Total	40	9	12	3	7	-	15	-	74	13	87

Source: Fieldwork,(2006)

Research design

The research design for the study was descriptive research (sample survey) design. A survey seeks to describe phenomena as they are. Monette, Sullivan and Dejong (1998) contend that survey is a data collection technique in which information is gathered from individuals, called respondents, by having them respond to questions.

It affords the researcher the opportunity to gain valuable insight into the current status of a phenomenon, with respect to variables or conditions in a situation. Taking into account the purpose of the study, the descriptive research (sample survey) design was deemed the most suitable one that could lead to the drawing of meaningful conclusions from the study.

Research instruments

The following research instruments were used:

- (a) Questionnaires;
- (b) Interviews;
- (c) Documents; and
- (d) Observations

Questionnaires

All the items for the four groups of respondents were the same apart from those on their background information (Appendix A). The questionnaires included open-ended (Appendix 'A') and closed items that demanded "YES" "NO"

responses. The purpose of the open-ended items was to provide the respondents with the opportunity to express their candid opinions on them.

Items 1, 2, 3, 4, 5, and 6 were used to elicit information about the background of the junior staff. Items 7, 8, 9, 10, 11 and 12 were used to obtain background information about the senior staff. Items 13, 14, 15, 16, 17 and 18 and items 19, 20, 21, 22, 23 and 24 were used to elicit information about the background of the managers and directors respectively.

Under the perceptions of the junior staff, senior staff, managers and directors about training, the four groups of respondents were requested to respond to items 28 to 30 on a five-point Likert-type scale. Values ranging from one (1) to five (5) were assigned to the Likert-type scale items. The values 1,2,3,4 and 5 represented "Very True" "True" "Uncertain", "Untrue" and "Very Untrue" respectively as indicated in Appendix A.) Also, under training and attraction and retention of customers the groups were requested to respond to items 48 to 52 on a five-point Likert-type scale. The Likert-type scale items were all positive statements. Values ranging from one (1) to five (5) were assigned to them. The values 1,2,3,4 and 5, represented "Strongly Agree", "Agree" "Uncertain" "Disagree" and "Strongly Disagree", respectively as shown in (Appendix A.).

Interviews

The researcher used interviews for the study. Interview schedule as indicated in (Appendix C) was used for the junior staff, senior staff members and directors respectively of the six selected rural banks. The interview schedules

consisted of open-ended and closed items that demanded 'YES' or 'NO' responses. The purpose of the open-ended items was to give the respondents the opportunity to express their views on the items without reserve.

Documents

Extracts of the Prudential Returns (Appendix D) of the six selected banks to Banks of Ghana from 2000 to 2004 were used for the study. The purpose was to find out the number of customers attracted and retained, amount of funds/deposits mobilized, pre-tax net profits and loan facilities granted to customers over those years.

Observations

Observations were also used for the study. The non-participant observation technique was used. The observations were carried out by using observation guide as indicated in (Appendix E.) The observations were focused on the extent of development of public relations image by the banks, viz, appearance, receptiveness, perception, etiquette, frankness, attentiveness, responsiveness, cheerfulness and facility in communication.

Validity and reliability of instruments

The draft instruments were submitted to the researcher's supervisor for his perusal. The supervisor suggested the elimination of some of the items from the instrument and the inclusion of others and finally pre-tested.

Pre- test

The researcher conducted a pilot study. The study was conducted for two days running. There were two main reasons for the pilot study. One reason was to ascertain the validity and reliability of the instruments. The other was to enable the researcher to have insight into the analysis that would be used for the main study. The pilot study (pre-test) was conducted at Asutifi rural bank, which had staff strength of 33 including the manager and five directors.

One-third of the junior staff, senior staff and directors were selected by simple random sampling technique. In all 10 junior staff, one senior staff, the manager and one director were selected.

The sample for the study comprised 10 junior staff, one senior staff, the manager and one directors of the Asutifi Rural Bank.

The draft research instruments used for the pilot study were as follows:

- (a) Questionnaires;
- (b) Interviews;
- (c) Documents; and
- (d) Observations

Prudential Returns from the bank to Bank of Ghana from 2000 to 2004 were used. The funds/deposits mobilized, pre tax net profits, loan facilities and the number of customers attracted and retained during those periods was noted for analysis and interpretation.

The researcher used non-participant observation techniques to find out whether or not there was a good public relations practice in the bank. The aspects

observed were appearance, receptiveness, perception, etiquette, frankness, attentiveness, responsiveness, cheerfulness and facility in communication.

The data collected from the pilot study were sorted and coded. Frequency of responses, percentages and mean numerical values were employed for the analysis of the data. The results were presented in the form of description, summary and interpretation.

The following issues were brought to light from the pilot (pre-test) study;

- (1) The research instruments were found to be suitable for the respondents and the research topic.
- (2) The two days used for the pilot study were not very adequate. The researcher therefore found it hectic in completing the study within that limited time.

Data collection procedures

Preliminary contact was made with the managers of the six selected rural banks for permission to be granted to the researcher to conduct the study in their respective banks. Triangulation approach, using different instruments was adopted in order to obtain the requisite data to address the research questions. The instruments used were questionnaires, interviews, documents and observations. The researcher in consultation with the managers fixed convenient dates and periods for the collection of the data from their respective banks. The research was conducted for three continuous days in each bank.

The researcher administered the questionnaires as indicated in (Appendix A) for the junior staff, senior staff and managers personally in order to ensure that

the right things were done by the respondents. Before the respondents were requested to provide their responses, the researcher painstakingly went through the questionnaires, item by item with them. Also, the researcher requested the respondents to express their candid opinions on the open-ended items.

The questionnaires for the junior staff, senior staff and managers were collected immediately after they had been completed. The questionnaires for members of the Board of Directors were personally submitted to them by the researcher. They were requested to submit the completed questionnaires to the manager of their respective banks within a week from the date of delivery.

The researcher held interviews with one-third of the respondents of the junior staff, and all the senior staff, managers and directors of each of the six selected banks as indicated in Table 4. The simple random sampling technique was used to select the junior staff. A total of fifty-two people were interviewed. Interview schedules as indicated in (Appendix C) were used to interview the junior staff, senior staff managers and directors. The researcher ensured that the language used during the interviews, particularly with the junior staff was simple and clear to understand. The responses of the interviewees were noted in quotation marks for analysis and interpretation.

The breakdown of the staff and directors interviewed is as presented in Table 4.

Table 4: The staff, managers and directors interviewed

Name Of Bank	Junior staff		Senior staff		Managers		Directors		Total		Grand total
	M	F	M	F	M	F	M	F	M	F	
Nsoatreman Rural Bank	3	1	3	1	2	-	2	-	10	2	12
Wamfie Rural Bank	2	-	4	-	1	-	4	-	11	-	11
Baduman Rural Bank	3	1	1	1	1	-	2	-	7	2	9
Ahafo Community Bank	2	1	1	-	1	-	2	-	6	-	6
Drobo Community Bank	1	-	1	-	1	-	2	-	5	-	5
Kintampo Rural Bank	1	1	2	1	1	-	3	-	7	2	9
TOTAL	12	4	12	3	7	-	15	-	46	6	52

Source: Fieldwork, (2006)

The documents used for the study were extracts of the Prudential Returns (Appendix D) from the six selected banks to Bank of Ghana from 2000 to 2004. The extracts from the Prudential Returns were used to find out the number of customers attracted and retained in the banks, funds/deposits mobilized, pre-tax net profits and loan facilities granted to customers over those two years by the banks.

The researcher observed the extent to which public relations practices and qualities have been adopted and imbibed respectively by the staff of the banks. Observation guide as shown in (Appendix E) was used. The researcher used non participant observation technique. Thus the researcher observed the junior staff, senior staff and managers in their natural setting, without manipulating their activities. The observation was focused on appearance, receptiveness, perception, etiquette, frankness, attentiveness, responsiveness, cheerfulness and facility in communication as indicated in (Appendix E)

Data processing and analysis

The data collected from the main study were sorted and coded. Frequency of responses, percentages and mean values were used to analyse the data. The results were then interpreted in a descriptive and narrative manner to answer the research questions. Responses of the four respondent groups to items 28 to 30 and 36 to 40 were analysed in the same table as presented in Table 5 and 6 to facilitate comparison.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS

Introduction

This chapter covers the discussions of the findings from the study. Frequency of responses, percentages and mean values are used to analyze the data. The results are then interpreted in a descriptive and narrative manner to answer the research questions. Responses of the four respondent groups to items 28 to 30 and 36 to 40 are analyzed in the same table as presented in Tables 5 and 6 to facilitate comparison.

Background information of the respondents

The researcher analyzed the background information of the four respondent groups namely; the junior staff, senior staff, managers and directors. Information were in respect of sex, age, length of service in the present bank, previous working experience in any other bank besides a rural bank, highest academic qualification and highest professional qualification.

Junior staff

With regard to sex, forty (80%) are males and ten (20%) are females. On age distribution, forty-five (90%) are between twenty-five (25) and thirty-three (33) years. Only five (10%) of them are between forty-three (43) and fifty-one (51) years. The implication is that the junior staff are quite youthful and therefore have considerable number of years ahead for the building of their human resource capacities.

Concerning length of service in the rural banking sector, forty (80%) have ten years' experience and twelve (20%) have eleven years' experience. With these years of experience, they are likely to have undergone quite a number of training in banking. With regard to their previous experience with any other bank apart from a rural bank, none of the junior staff had experience with any other bank.

Concerning the highest academic qualifications, fourteen (28%) possess General Certificate of Education Ordinary Level (GCE 'O' Level) certificates and thirty-six (72%) have Senior Secondary School Certificates (SSSCE). On highest professional qualifications, none of them possessed any such qualifications. This implies that the junior staff possesses basic qualifications, which serve as sound foundation for training. This is in line with the assertion by Rao (1995) to the effect that education is the cornerstone of training.

Senior staff

On sex, twelve (80%) are males and three (20%) are females. With regard to age distribution, all of them, that is fifteen (100 %) are between forty-three (43)

and fifty-one (51) years. This indicates that, the senior staff have quite a number of years ahead for advancement in terms of training.

On the length of service in rural banks, thirteen (87%) and two (13%) had worked in rural banks for eighteen (18) years and twenty (20) years respectively. Taking into account their length of service, it is likely that they had been exposed to a considerable number of training in various aspects of banking.

As regards previous working experience in any other bank apart from a rural bank, five (33%) had worked in other banks. Out of the five (33%) two (40%) and three (60%) had worked with the Barclays Bank and the Ghana Commercial Bank respectively. The staff who worked with the Barclays Bank served for a period between six (6) years and ten (10) years and those who worked with the Ghana Commercial Bank served for a period ranging between eight (8) years ten (10) years. The senior staff might have had some valuable training in banking from these banks, which attach much importance to the training of their personnel.

Concerning highest academic qualification, four (27%) possess General Certificate of Education Ordinary Level (GCE 'O' Level) Certificate; five (33%) have General Certificate of Education Advance Level (GCE 'A' Level) and two (13%) possess Diploma in statistics. Three (20%) had Higher National Diploma (Accounting Option), and one (7%) possessed Higher National Diploma (Marketing Option). This indicates that the senior staff have quite a sound background in respect of academic and qualifications.

Managers

With regard to age, four (57%) are between forty-three (43) and fifty-one (51) years and three (43%) are aged between fifty-two (52) and sixty (60) years. This implies that especially those in the age bracket of forty-three (43) and fifty-one (51) years have enough years ahead for advancement in respect of training.

Concerning length of service in rural banking, four (57%) and three (43%) have served for twelve (12) and fifteen (15) years respectively. This indicates that they have considerable experience as managers of rural banks and might obviously have had quite an adequate training in banking. As regards previous working experience in any other bank besides rural banks, two (29%) and five (71%) had worked as staff in Barclays Bank and Social Security Bank respectively. They had all worked with these banks for a period ranging between ten (10) and twelve (12) years. Thus all the managers have worked not in managerial positions but as staff in other banks. On highest academic qualification, four (57%) of the managers are first-degree holders and the remaining three (43%) possess SC/GCE 'A' Level Certificate. This implies that the managers have the necessary educational background to facilitate their training in banking. Concerning professional qualification, two (29%) possess professional qualifications in banking. One of them holds ACIB (Final) and the other ACIB (Inter).

Board of directors

With regard to age, fourteen, that is hundred percent (100%) are between the ages of fifty-two (52) and sixty (60) years. Although, the directors are quite old, since there is no age limit to the eligibility of one to hold the post of a director in the rural banks, training will be relevant to them.

Concerning the length of service in their respective banks, ten (71%) of the Directors have served for twelve (12) years and four (29%) have held the office for eight (8) years. This indicates that they might have been exposed to quite a number of training programmes and have therefore gained considerable experience in the rural banking sector. Two (14%) of the directors worked at the Ghana Commercial Bank for twenty (20) years. As regards their highest academic qualification. All the directors (100%) held first degrees. Three (21%) possess Master's Degrees in various subject areas. Four (29%) were lawyers; two (14%) are retired professional bankers; one (7%) an architect; Two (14%) are professional teachers; one (7%) a professional auditor; and two (14%) are agricultural scientists; and two (14%) are civil engineers. It is significant to note that all the six banks have professionals serving on their Boards. This is in line with the assertion by Asiedu-Mante (2002) that the Bank of Ghana emphasizes the inclusion of professionals like lawyers and accountants on the Board of Directors of rural banks.

Perceptions of staff, managers and board of directors about training

The frequencies of perceptions of respondents were calculated and converted to percentages. The mean scores are presented in Table 5 below.

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Table 5: Perceptions of staff, managers and board of directors about training

Items	Resp	V.T %	T %	Unc %	Unt %	V.Unt %	Mean scores
28. Training refers to calculated effort by a company to improve the knowledge, skills and attitudes of employees so that they can be competent at their respective jobs.	JS	88	12	-	-	-	4.7
	SS	87	13	-	-	-	4.6
	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	5.0
29. Training comprises planned programmes aimed at improving performance at all levels of an organization	JS	94	6	-	-	-	4.8
	SS	100	-	-	-	-	5.0
	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	5.0
30. Training is the process of developing the knowledge, skills and attitudes of individuals so that they can work effectively at their present position and also assume higher responsibilities.	JS	86	14	-	-	-	4.7
	SS	87	13	-	-	-	4.7
	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	45.0

Source: Fieldwork (2006)

The ranges of the mean scores are:

4.60-5.00= Very True 3.60-4.50= True 2.60-3.50= Uncertain

1.80-2.50= Untrue 1.00-1.50= VeryUntrue

KEY

Resp=Respondents Vt=Very True T=True Unc=Uncertain

Unt=Untrue Vunt=Very Untrue Js=Junior Staff Ss=Senior Staff

M=Managers D=Directors

On perception of training, twenty-four (48%) of the junior staff; seven (47%) of the senior staff, three (43%) of the managers, and six (43%) of the directors contend that training is the method of developing knowledge, skills and attitudes of workers so that they can work effectively on their jobs as indicated in (see Table 5). Their views in this respect corroborate that of Noe (1999) who claim that training is a planned effort at developing the knowledge, skills and attitudes of employees so that they can be competent at the job assigned to them. Twenty-six (52%) of the junior staff, eight (53%) of the senior staff, four (57%) of the managers and eight (57%) of the directors claim that training is a process of developing knowledge, skills and attitudes of workers in order to increase their efficiency and effectiveness at their present positions and also enable them to take up more responsible positions as shown in (Appendix B). Their assertions support the stance of Mullins (1999), who contends that training is a process to ensure

adequate supply of staff, who are technically and socially competent and capable of career advancement into specialist departments or management.

All the senior staff (100%), managers (100%) and directors (100%) contend that training is different from education. This corresponded to forty-six (92%) of the junior staff. All their claims collaborate the view of Rao (1995), who asserts that training differs from education in many ways and for all practical purposes.

With regards to respondents perception about the difference between education and training, the junior staff, forty-six (92%) claim that education provides people with broad knowledge, skills and attitudes upon which training is developed as shown in (Appendix B). The senior staff, seventeen (100%) assert that education develops the knowledge, skills and attitudes of workers for general duties and training develops these aspects of workers for specific jobs as indicated in (Appendix B). The managers (100%) and directors (100%) look at the difference between education and training from the same perspective as the senior staff. They, that is all the managers and directors contend that education develops the knowledge, skills and attitudes of people that are not directed to the performance of a specific job, whereas training develops these domains of workers to meet specific job objectives as indicated in (Appendix B). There is therefore a common trend in the way the respondents view the difference between education and training. The differences stated by the four respondent groups about education and training collaborate that of Rao (1995) who opines that training

develops the knowledge, skills and attitudes of individuals for a specific job but education develops these three domains of individuals not for a particular job.

The ability of the four respondent groups to distinguish between training and education indicates that they have a clear perception about these two processes of developing human resource capacities. Indeed, the cardinal purpose of training is to develop the knowledge, skills and attitudes of individuals so that they can know the nitty-gritty of a particular job. Indeed, training has specific job-related objectives.

On respondents perception about training, forty-four (86%) of the junior staff, thirteen (87%) of the senior staff, all the managers and directors claim that it is very true that training refers to a calculated effort by a company to improve the knowledge, skills and attitudes of employees so that they can be competent at their jobs. The mean scores of the junior staff, senior staff, managers and directors are 4.80, 4.80, 5.00, and 5.00 respectively. Their views support that of Raymond and Noe (1999) who assert that training refers to a planned effort by a company to facilitate employees learning of job-related competencies such as knowledge, skills and attitudes.

Concerning respondents perception about training, (Table 5), forty-seven (94%) of the junior staff, all the senior staff, managers and directors contend that it is very true that training consists of systematic programmes, with the aim to enhance performance at all levels of an organization. The mean scores of the junior staff, senior staff, managers and directors are 4.80, 5.00, 5.00, and 5.00 respectively. Their stance supports that of Casio (1992) who asserts that training

comprises programmes aimed at improving performance at all levels of an organization.

As regards to perception about training,(Table 5), forty-three (86%) of the junior, thirteen (87%) of the senior staff, all the managers and directors assert that it is very true that training is the process of developing the knowledge, skills and attitudes of individuals so that they can work effectively at their present positions and also assume higher responsibilities. The mean scores of the junior staff, senior staff, managers and directors are 4.80, 4.80, 5.00 and 5.00 respectively. Their views collaborate that of Mullins (1999) who reiterates that training is a process to ensure adequate supply of staff who are technically and socially competent and capable of career advancement into specialists departments.

During interviews with them (Appendix C), they asserted that training is beneficial because it improves their ability to work creditably for the development of their respective banks. They claimed that training is a competitive tool in today's banking industry because without it, the knowledge, skills and attitudes of the staff cannot be effectively developed to enable their banks to compete favourably with other banks. Indeed, training develops the three domains namely knowledge, skills and attitudes of employees for a specific job. It is an organized procedure to ensure that learning takes place for a definite purpose. Without training, jobs would have been performed on trial and error basis. Training enables individuals to build their human resource capacities so that they can perform the jobs assigned to them effectively and efficiently.

Training opportunities available for the staff and directors of rural banks

On the types of available training opportunities all the junior staff, (100%) the senior staff (100%) managers (100%) and directors (100%) claim that the training programmes available in their respective banks are on-the-job and off-the-job training and coaching and mentoring. Their claims collaborate those of Boella (1992) and Hodgetts (1999), who contend that on-the-job and off-the-job are training programmes in organizations. It is significant to note that the on-the-job, off-the-job and coaching and mentoring are the commonest training programmes in organizations. The fact that these programmes are available in the rural banks indicates that their scope of training is quite broad.

Concerning explanation on types of training all the four respondent groups explain on-the-job training as the method of training, where a superior officer or a co-worker coaches an individual in the ways of doing a work effectively as indicated in (Appendix B). Their explanation is in line with those of Boella (1992) and Hodgetts (1999), who assert that on-the-job training can be formal or informal and takes the form of an immediate superior or a fellow worker coaching an individual in the most effective ways of getting a work done. Furthermore, all the respondents explain off-the-job training programme as the training that takes place outside the workplace. Their explanation conforms to those of Boella (1992) and Hodgetts (1999), who contend that off-the-job training is the type of training that is undertaken outside the premises of the workplace or from the working situation. Again, they explain coaching and mentoring as processes that help employees to be more efficient and effective at their respective work places.

During interview with them (Appendix C) they all claimed that on-the-job training is given priority attention in their banks. They however, added that following the establishment of the ARB Apex Bank in 2000, they now have considerable access to off- the-job training in the form of workshops and seminars in various aspects of banking such as cashiering, money laundering and loan syndication, monitoring and recovery.

With regard to respondents' participation in workshops and seminars, all the junior staff, senior staff, managers and directors claim that they are able to participate in workshops and seminars in banking organized by the ARB Apex Bank in conjunction with Bank of Ghana and other donor agencies. Their claims negate the assertion by Awini (2003) that the pressure of work sometimes prevents rural bank staff from participating in training programmes organized by the ARB Apex Bank and other organizations.

When interviewed, they all claimed that they have had enough training to enable them cope with their duties. Notwithstanding the fact that they have participated in quite a number of training programmes in banking, they expressed dissatisfaction about the unwillingness of their Board of Directors to sponsor them to pursue courses like accounting and economics that are related to banking in the tertiary institutions. The directors confirmed the claims by the staff. Six (42%) of the directors explained, that previously some of their staff had that opportunity but they abused it immediately after the completion of their courses by failing to return to the banks. Those who re-joined the staff worked for a short while and left. The remaining eight (58%) of the directors asserted that if they

readily sponsored their staff to pursue further courses in the tertiary institutions, their banks would continuously be confronted with staffing problems. They would have to train their staff only for them to leave after a short period and this would create vacuums that have to be continuously filled by recruiting new staff. Their contentions collaborate the assertion by Awini (2003) that some Boards of Directors are insensitive to the plight of staff of rural banks and therefore fail to see the effect of staff dissatisfaction to the performance of the banks. He calls on the Association of Rural Banks and the ARB Apex Bank to encourage Boards to respond effectively to staff needs.

Training of the staff and directors of rural banks

Concerning impact of training the entire four respondent groups claim that the training they have had in banking has enabled them to cope with their duties. Their assertions support the claim by Casio (1992) that training builds human resource capacities. During the interview, they confirmed that they had pursued quite a considerable number of courses in banking to enable them to discharge their duties effectively.

With regard to type of courses, forty-four (88%) of the junior staff enumerate introduction to banking, money laundering and common frauds, cashiering and records/archives management as the courses they have pursued in banking. The remaining six (12%) state all these courses except money laundering and common frauds. Their assertions are in line with the training programmes the ARB Apex Bank (2005) outlines and implements for the junior staff of rural

banks. It is significant to note that training of the junior staff in these aspects of banking is crucial for the effective discharge of their duties. Fourteen (93%) of the senior staff state strategic management, group animation and dynamics, entrepreneurial development, costing and pricing of loans and loan syndication, leadership and strategic decision making and computer appreciation. The remaining one (7%) enumerates all these types of courses except entrepreneurial development. Their claims conform to the banking courses the ARB Apex Bank (2005) outlines and implements for the senior staff of rural banks. It is worthwhile to note that these courses for the senior staff help to build their human resource capacities in banking.

Six (86%) of the managers enumerate training in strategic management, group animation and dynamics, entrepreneurial development, costing and pricing of the loans and loan syndication, loan recovery procedures and strategies, productivity, quality and work economics, business process re-engineering, leadership and strategic decision-making, computer appreciation, basic appreciation of finance and accounting, drawing of corporate plans and resource mobilization and allocation. One of them (14%) states all these courses except business process re-engineering and drawing of corporate plans. Their claims are in line with the courses the ARB Apex Bank (2005) outlines and runs for managers of rural banks. Also their assertions collaborate Dadzie (2002) who reiterates that every year the staff and directors of rural banks benefit from training programmes organized by the Association of Rural Banks with assistance from the Bank of Ghana and other donors. He adds that the training programmes

for the staff and directors include the drawing of corporate plan, credit management and resource mobilization and allocation; leadership and strategic decision-making; loan syndication and loan recovery procedures and strategies; Bank of Ghana reporting requirements; statutory requirements for share transaction procedures; credit management, evaluation and appraisal and annual planning and budgeting.

Twelve (86%) of the directors state training in leadership and strategic decision-making, drawing of corporate plans and annual budgets; loan syndication and loan recovery procedures; Bank of Ghana reporting requirements and statutory requirements for share transaction procedures. The remaining two (14%) enumerate all these training programmes apart from statutory requirements for share transactions procedures. The claims are in line with the training programmes that ARB Apex Bank (2005) outlines and implements for directors of rural banks and Dadzie (2002) who asserts that every year the Association of Rural Banks in conjunction with the Bank of Ghana and other donor agencies organizes courses that include the drawing of corporate plans and annual budgets, credit management and leadership and strategic decision-making for directors.

During interviews with them (Appendix C), they asserted that training has enabled their banks to compete keenly with other rural banks. Indeed the training of directors in banking is very essential. The success of any bank depends largely on the ability and calibre of its directors; hence there is the urgent need for them to be trained in various aspects of banking to enable them to discharge their duties effectively. The stance of the staff and directors of rural banks on the level of

their training negate the claim by Asiedu-Mante (2002) that rural banks are confronted with the problem of unqualified personnel. He continues that the rural banks personnel have not been adequately exposed to the required training in banking.

Training and support from donor agencies

On the kind of training and support rural banks receive from donors, forty-four (88%), of the junior staff, fourteen (93%) of the senior staff, all the managers and directors assert that their banks receive support from donor agencies in the form of funds for micro-finance projects and the training of the staff and directors. Their assertions collaborate those of Dadzie (2000), Cudjoe (2002) and Duffuor (2001). Dadzie (2000) claims that every year the staff and the directors of rural banks in the country attend courses and seminars organized by the Association of Rural Banks with assistance from Bank of Ghana and other donors to sharpen the skills of the staff and directors for efficiency and capacity building. Cudjoe (2002) asserts that the ARB/Danida Micro-Finance Project paid €20 million as a start-up grant to prepare selected rural banks in the country for the project. Furthermore, he contends that the Micro-Insurance projects in rural banks are supported by the DFID through the Enterprise Development Innovation Fund (EDIF). Dufu (2001) welcomes the package of financial assistance put together by the World Bank (IDA), International Fund for Agricultural Development (IFAD) and the African Development, Bank under the Rural Financial Service Project.

Concerning donor agencies assessment of rural banks, forty-three (86%) of the junior staff, fourteen (93%) of the senior staff all the managers and directors contend that the donor agencies critically assess the level of training of their staff before giving the banks support. During interviews with them (Appendix C), they claimed that the main criterion used by Donor agencies whether or not to support a rural bank is the level of training of its staff. They asserted that training is an instrument for attracting Donor support for rural banks. Their assertions collaborate that of Addo (2000), who claims that donors invariably base their decisions to support banks on the quality of the bank's balance sheet and earning, which are determined by the quality of their human resource capacities. Indeed, donors do not give their support to rural banks on a silver platter. They want to ensure that the objectives of their support are accomplished. In order to attract donor support therefore banks need to train their personnel in the requisite skills and professional competence comparable to international standards

In this respect, training to provide expertise in project preparation, investment negotiation, facility syndication, management of international financial transactions, expertise in forward and future market operations and expertise in the management of interest rate and foreign exchange risks are of paramount importance. Without adequate training in relevant fields as indicated above banks cannot win the support of donors to promote their growth and development.

Training and mobilization of funds/deposit by the rural banks

Concerning training and mobilization of deposits all the four respondent groups contend that rural banks compete with each other to mobilize funds/deposits. On the issue of competition with regard to the mobilization of funds, the respondents claimed that the rural banks compete to expand their areas of operation, adopt mobile banking services, set up revolving funds; improve the efficiency and effectiveness of existing products, and build effective linkages with other micro-finance institutions. On the expansion of the banks areas of operations, the assertions of all the four respondent groups support the claim by Asiedu-Mante (2002) that in recent times it has become common practice to find rural banks opening agencies in the urban centres with the sole aim to attract more deposits/funds. Concerning the adoption of mobile banking services, the contention of the respondents collaborate the view of the Chartered Institute of Bankers (1998) that some of the banks provide mobile service, whereby they go to the door steps of customers for deposits. As regards the institution of revolving funds their claim support Bray (2001) to the effect that rural banks put in place revolving fund that is accessed by a particular group of people in turns. On the improvement of the efficiency and effectiveness of existing products, their claim is in line with the assertion by the Institute of Chartered Bankers (1998) that the retail banks are offering competitive interest to attract more customers and deposits. Concerning the development of new products, their claim supports the stance of Bray (2001) who emphasizes the development of new products by rural banks. With regard to the building of effective linkages with other micro-finance

institutions, the assertions of the respondents collaborate- those of the Chartered Institute of Bankers (1998) and Cudjoe (2002). The Chartered Institute of Bankers (1998) contends that as a way to mobilize deposits/funds, some retail banks savings account is linked with insurance policy. Cudjoe (2002) asserts that some rural banks have embarked upon micro-insurance projects.

As to whether or not training enables rural banks to expand their areas of operation, all the respondents answered in the affirmative. Forty-nine (98%) of the junior staff, fourteen (94%) of the senior staff and all the managers and directors contend that training in cashiering, records/archives management communication skills and managerial duties are essential for the expansion of the areas of operations of rural banks. Their stances support the assertion by the ARB Apex Bank (2005), Hodgetts (1999) and Mullins (1999). The ARB Apex Bank (2005) implements training programme in cashiering, records/archives management and communication skills to enable the staff of rural banks to understand better the business of paying and receiving and the accounting principles involved and also enable them to communicate clearly and effectively to ensure service excellence within the banking sector. Hodgetts (1999) remarks that training in communication skills enables staff to be attractive to customers. Mullins (1999) asserts that branch managers need to be trained in managerial activities, which can be broadly categorized into inter-personal roles, informational roles and decisional roles.

It is significant to note that these types of training are essential if agencies or branches of rural banks are to be run effectively. There is the need for the staff

of agencies or branches to be human relation minded, so that they can attract and retain customers. Also such personnel should be abreast with record/archives management in order to ensure proper record of all monetary transactions. Again, they must have managerial abilities so that they can discharge their duties effectively. Without training in cashiering, record/archives management and managerial duties, the staff of banks at agencies or branches cannot live up to expectation to compete favourably with their counterparts.

Concerning mobile banking all the junior staff, senior staff, managers and directors assert that their respective banks provide mobile banking services to their customers. Their claims collaborate that of the Chartered Institute of Bankers (1998), that contend that some banks go to the door steps of customers for deposits in a form similar to street banking (or Susu) and provide micro-financing to the people. On the question as to whether or not training of the staff and directors has enabled the banks to provide mobile banking services to their customers, they answered in the affirmative.

On the type of training that has enabled the banks to provide mobile services to their customers, forty-six (96%) of the junior staff and all the senior staff, managers and directors enumerate cashiering, communication skills and record/archives management as types of training required for the effective operation of mobile banking. During interviews with them (Appendix C), they claimed that the training programmes they have undergone in cashiering, communication skills and record/archives management have enabled them to

acquire the requisite knowledge, skills and attitudes to cope with the demands of the mobile banking services that their respective banks operate.

With regard to training and revolving fund twenty-one (42%) of the junior staff, thirteen (87%) of the senior staff six (86%) of the managers and twelve (86%) of the directors claim that their respective banks have revolving funds. They reiterate that their respective banks have set up revolving funds that are assessed by particular customers. This step is in line with the proposal by Bray (2001) to the effect that rural banks should establish revolving funds as a means of mobilizing deposits/funds. The junior staff (42%), senior staff (87%), managers (86%) and directors (86%) enumerate training in report writing costing and pricing of products and services and loan syndication, monitoring and recovery as very essential for the success of the operation of revolving fund. During the interview, they confirmed that these types of training are essential for the operation of the revolving funds. The operation of revolving fund is a cumbersome process. There is the need to competently screen all loan applications so that funds are directed to good projects, monitor the loans to minimize the misuse of funds and ensure high recovery rate. Indeed, it cannot succeed if the staff, especially project officers of banks are not properly trained in report writing, costing and pricing of products and services and loan syndication and monitoring and recovery.

Concerning training and improvement of existing products, forty-six (88%) of the junior staff, all the senior staff, managers and directors contend that rural banks are competing with each other to improve the efficiency and

effectiveness of existing products. Their claims collaborate that of the Institute of Chartered Bankers (1998) that claims that the retail banks are offering competitive interest to attract more deposits and customers. On the question as to whether training of the staff and directors enables rural banks to improve upon the efficiency and effectiveness of existing products, they answered in the affirmative. Forty-six (92%) of the junior staff, all the senior staff, managers and directors state training in assets and liability management as crucial for the improvement in the efficiency and effectiveness of existing products. These courses in banking were confirmed by the respondents as very necessary for the improvement in the efficiency and effectiveness of the existing products during interviews with them (Appendix C). These training conform to the training programmes the ARB Apex Bank (2004) outlines and implements to enable management to interpret financial statements, using liquidity, profitability, leverage and solvency ratio. Training in assets and liability management enables managers and directors to take well-informed decisions as to where to peg their interest rate on savings accounts and whether or not interest rates are to be paid on certain minimum deposits on current accounts to attract more customers.

On training and linkages with other micro finance institutions, forty-seven (94%) of the junior staff, all the senior staff, managers and directors claim that rural banks compete with each other to build linkages with other micro-finance institutions. Their assertions support the claim by Bray (2001) that rural banks are seriously establishing a number of linkages with other micro-finance institutions in a bid to mobilize more deposits. During interviews with them, all the junior

staff, senior staff, managers and directors mentioned linkages that take the form of their banks holding deposits for “susu” collectors; non-governmental organizations depositing loanable funds with their banks and channeling the loans to clients through them; lending from them to clients through “susu” collectors and credit unions taking loans from non-governmental organizations and holding deposits with them and linking their savings account with insurance policy. They contend that training has enabled their banks to establish these linkages. Forty-seven (94%) of the junior staff, all the senior staff, managers and the directors state training in insurance products and their potential risks and gains, record keeping and data analysis and loan syndication, agreements, approval and disapproval procedures has enhanced their performance in banking operations. Their stance is in line with that of Bray (2001) who asserts that the sale of insurance products in the rural banking sector calls for intensive training of the directors and staff of rural banks. He adds that effective linkages necessitate adjustments in operations such as speedy evaluation of loan applications; prompt loan disbursement and efficient monitoring and recovery of loans. Linkages between rural banks on one hand and other micro-finance institution on the other promote mobilization of deposits/funds. It is important, however to note that the process is so cumbersome that without proper and adequate training in the procedures involved, the maximum profit cannot be made.

During the interview (Appendix C) respondents claimed that since 2000, there has been steady increase in the amount of deposits mobilized by their respective banks. According to them, banks have been able to grant more loan

facilities to customers and consequently their pre-tax net profits have increased. Their claims are testified by the extract of Prudential Returns (Appendix D) from the six selected banks from 2000 and to 2004. A critical look at the figures indicate that the banks have been making remarkable strides in respect of funds/deposits mobilization, pre-tax net profits and amount of loan facilities granted to their customers during this period. They attributed this feat on the part of their banks mainly to the training programmes the staff and directors have been undergoing since 2000.

Training, attraction and retention of customers

With regard to training, attraction and retention of customers all the respondents contend that rural banks compete with each other to attract and retain customers. Their views collaborate that of the Chartered Institute of Bankers (1998) that banks face a challenge in satisfying their customers to become loyal clients as well as advocates for them. Again the Institute reiterates that customer loyalty is a formidable challenge for any business in today's market and it is especially topical issue in the financial services sector. This implies that rural banks are operating in a competitive environment so far as the attraction and retention of customers are concerned.

Concerning attraction and retention of customers all the junior staff, senior staff, managers and directors assert that training has enabled their respective banks to attract and retain customers. Forty-six (92 %) of the junior staff, all the senior staff, managers and directors enumerate training in banking ethics and

observance of code of secrecy, cashiering, internal controls, customer care and good public relations as essential tools to attract and retain customers in rural banks. The remaining four (8.00%) of the junior staff state all these types of training apart from internal controls. Their views collaborate those of the Chartered Institute of Bankers (1998), Mainu (2001) and the ARB Apex Bank (2004). The chartered Institute of Bankers (1998) remarks that attitudes on the part of bank staff such as rudeness to customers and creating the impression of doing a customer a favour by serving him send negative signals to customers and must be avoided. Mainu (2001) emphasizes training in public relations to enable bank personnel to be attentive, empathetic and responsive to customers.

The training programmes the ARB Apex Bank (2004) outlines and implements for the staff of rural banks in cashiering and customer care aim at enabling the staff to adopt positive attitude towards customers. Bank personnel should treat customers with utmost respect and care in order to attract and retain them. These qualities can be imbibed through training in cashiering, customer care and public relations.

From Appendix C, respondents contended that training is a tool for attracting and retaining customers in rural banks. They claimed that as a result of training in cashiering, customer care and good public relations the number of their customers keeps on increasing and their retention is also impressive. A close look at the extract of the Prudential Returns (Appendix D.) from the six selected banks between 2000 and 2004 indicates that there was tremendous increase in the number of customers attracted and retained in the banks.

Table 6: The views of the staff, managers and board of directors about training and impact on rural banks

Items	Resp	Sa %	A %	Unc %	Dis %	Sdis %	Mean scores
48. Training in cashiering enables the staff to treat customers as valued customers	JS	100	-	-	-	-	5.0
	SS	100	-	-	-	-	5.0
	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	5.0
49. Training in human relations enables the staff to be empathic, responsive, attentive and receptive to customers.	JS	96	4	-	-	-	4.7
	SS	93	7	-	-	-	4.7
	M	100	-	-	-	-	5.0
	D	93	7	-	-	-	4.7
50. Training of the staff in customer care equips them with the knowledge, skills and attitudes to attract and help customers.	JS	94	6	-	-	-	4.7
	SS	93	7	-	-	-	4.7
	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	5.0

Table 6 continued

51. Training of the staff in banking enables	JS	98	2	-	-	-	4.7
them to observe bank's code of ethics of the	SS	100	-	-	-	-	5.0
profession.	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	5.0
52. Training in internal control system	JS	94	6	-	-	-	4.7
enables the staff and directors to forestall loss	SS	100	-	-	-	-	5.0
of monies to customers	M	100	-	-	-	-	5.0
	D	100	-	-	-	-	5.0

Source: Fieldwork (2006)

The ranges of the mean scores are:

4.60-5.00=Very True 3.60-4.50=True 2.60-3.50=Uncertain
1.80-2.50=Untrue 1.00-1.50=Very Untrue

KEY:

Resp- Respondents SA-Strongly Agree A-Agree
Unc-Uncertain Dis- Disagree SDis-Strongly Disagree

With regard to training on cashiering all the junior staff, senior staff, managers and directors reiterate that they strongly agree that training in cashiering enables the staff to treat customers as valued people. The mean scores of the junior staff, senior staff, managers and directors are 5.00; 5.00; 5.00 and 5.00 respectively as shown in (Table 6). Their stance supports that of the Australasian Institute of Finance and Banking (2001) that asserts that customers globally want their financial service providers to treat them as valued customers by providing personal and caring services. It should be noted that training in cashiering enables the staff to imbibe these qualities that have the effect of attracting and retaining customers. The ARB Apex Bank Limited (2004). Training programme in cashiering aims at enabling the staff to adopt positive attitude towards customers.

On training in human relations, forty-eight (96%) of the junior staff, fourteen (93%) of the senior staff, all the managers and thirteen (93%) of the directors claim that they strongly agree that training in human relations enables the staff to be responsive, attentive and receptive to customers. The mean scores for the junior staff, senior staff, managers and directors are 4.78; 4.73; 5.00 and

4.71 respectively as presented in (Table 6). Their assertions support that of Mainu (2001), who reiterates that good public relations advances the interest of business by straightening up misconceptions about a firm's services and consequently improves relations. He adds that training in this respect enables the staff to acquire qualities such as empathy, attentiveness, receptiveness and ability to communicate effectively. Observations conducted by the researcher on the staff and managers (Appendix E) in their natural setting at their respective banks revealed that they were empathic, responsible attentive and receptive to customers. It is significant to note that banks depend wholly on deposits customers lodge with them to grow and survive.

Without the requisite training to attract and retain them they will not only withdraw their patronage but also fail to be active advocates for them. It is therefore necessary for the staff to be trained in order not to be repulsive to customers. Training in public relations contributes immensely in developing the abilities of the staff to be as responsive, receptive, attentive and empathic as possible to customers. During interviews with them (Appendix C) they claimed that they had imbibed these qualities as a result of the training in public relations.

Concerning training in customer care, forty-seven (94%) of the junior staff, fourteen (93%) of the senior staff, all the managers and directors contend that they strongly agree that training in customer care equips the staff with the requisite knowledge, skills and attitudes to attract and retain customers. The mean scores of the junior staff, senior staff, managers and directors are 4.76; 4.73; 5.00 and 5.00 respectively as indicated in (Table 6). Their claims collaborate that of the

Australasian Institute of Finance and Banking (2001) that asserts that customers, who are satisfied with how their financial service providers handle their problems become more loyal to them. It is significant to note that customers expect the staff of banks to treat them with care and utmost respect. There is therefore an urgent need on the part of the staff of banks to accord customers the necessary respect in order to attract and keep them. Training of the staff in customer care enables the staff to treat customers tenderly. It enables the staff to quickly resolve the problems of their customers and provide them with the requested information to meet their desires and aspirations.

With regard to training in banking, forty-nine (98%) of the junior staff, all of the senior staff, managers and directors contend that they strongly agree that training in banking enables the staff to observe their bank's code of secrecy and also adhere to the ethics of the banking profession. The mean scores of the junior staff, senior staff, managers and directors are 5.00; 5.00; 5.00 and 5.00 respectively as indicated in (Table 6). Their stance support that of the Chartered Institute of Bankers (1998) that claims that the issue of ethics and the banking profession are critical for people to gain confidence in the banking system in order for banks to achieve their objectives. Also, their assertions collaborate that of the Chartered Institute of Bankers (1998) that emphasizes observance of the code of secrecy of banks by the staff. In fact, it is imperative on the part of banks staff to adhere to the banking ethics such as respectfulness, courtesy, honesty, sincerity and tolerance. These are qualities that need to be imbibed by the staff in order to attract and win the confidence of customers. It is through training that

these qualities can be acquired. Also, the observance of banks code of secrecy is very vital for the attraction and retention of customers. Bankers must as a matter of urgency observe their banks code of secrecy such as abstinence from the disclosure of customers balance to third parties without the consent of the customers and the revelation of the bank's book of accounts to outsiders without the express authority of the bank. This is important because a breach of the bank's code of secrecy can result in the loss of valued customers. Also, the bank's reputation can be tarnished.

On internal control systems, forty-seven (94%) of the junior staff, all the senior staff, all the managers and directors contend that they strongly agree that internal control system enables the staff to forestall loss of monies to the banks and customers alike. The mean scores of the junior staff, the senior staff, managers and directors are 4.76; 5.00; 5.00 and 5.00 respectively as indicated in (Table 6). Their claims collaborates Asiedu-Mante (2001), who opines that a system of strong internal control system decreases the risk of unexpected losses to damage the reputation of banks. During interviews them (Appendix C) they contended that as a result of training of the staff and directors in various aspects of banking, their respective banks have been able to attract and retain more customers since 2000. Indeed an effective internal control system is a critical component of bank management. Banks cannot achieve their long-term profitability targets; maintain reliable financial and managerial reporting without sound internal control system. Training of the staff in internal control ensures that the incidence of the loss of huge sums of monies to banks and for this matter

customers are minimized if not ruled out. It is significant to note that customers want their hard-earned incomes to be given the necessary protection by banks. Consequently they are attracted to patronize the services of the banks that can effectively guard against the loss of their monies. Training in internal control equips the staff with the knowledge, skills and attitudes to meet the needs and aspirations of customers in this respect. During interviews with them (Appendix C), they reiterated that bank customers are attracted to banks that have the reputation of ensuring the safety of their deposits. If a bank is able to do this, they win the confidence of their customers.

Training and adoption of information technology

With regards to adoption of information technology, all the four groups of respondents assert that the rural banks are in competition with each other to adopt information technology. During interviews with them (Appendix C), this assertion was reaffirmed. Their stance collaborate that of the Institute of Chartered Bankers (1998) and Duffuor (2000). The Institute of Chartered Bankers (1998) claims that banks in their effort to attract more customers now adopt computers to improve their services. Duffuor (2000) contends that the computerization of the services of banks has created a competitive banking environment. In their efforts to ensure efficient delivery services to attract more customers, rural banks have embarked upon the computerization of their operations.

Concerning computerization of operations, twenty-four (48%) of the junior staff, ten (67%) of the senior staff, five (57%) of the managers and eight (57%) of the directors claim that their banks have computerized their operations. Their claims support the Chartered Institute of Bankers (1998) that contends that banks now adopt the increasing use of computers in their effort to attract more customers. On items 55 forty-eight (96%) of the junior staff, all of the senior staff, managers and the directors contend that banks that have computerized their operations have urge over their counterparts that have not done so. Their stance collaborate those of Duffuor (2000), and Asiedu-Mante (2002). Duffuor (2000) asserts that the use of computer technology has helped banks worldwide to be efficient and develop various financial products to meet the new demands of their customers. Asiedu-Mante (2002) reiterates that computerization of banking operations ultimately brings about efficiency.

On computerization and efficiency, forty-eight (96%) of the junior staff, all the senior staff, all the managers and directors enumerate efficiency in terms of delivery service, easy access to information and improvement upon existing products as the benefits banks derive from the computerization of their operations. Their assertions support those of Duffuor (2000) and Asiedu-Mante (2002). Duffuor (2000) contends that computerization has helped banks to innovate a variety of financial products to meet the new demands of their customers. Asiedu-Mante (2002) states that computerization of banking operations brings about efficient delivery service and easy access to viable information. Concerning item 57, all the four groups of respondents assert that without training in computer

technology banks cannot computerize their operations to derive benefit from computer technology.

Concerning computerization and service delivery, forty (80%) of the junior staff, twelve (80%) of the senior staff, all the managers and the directors assert that computerization of banking operation entails some risks and problems. They enumerate risks and problems such as inadequate user training, ineffective controls to precede or at least accompany the introduction of computer technology, incorrect hardware selection and sizing, falsification of monetary transactions by keying-in operators and the collection, management and use of information. Their stance collaborate those of Asiedu-Mante (2000) and Duffuor (2000), Asiedu-Mante (2000) asserts that risks can occur by imposing incorrect procedures or by not imposing appropriate ones. He adds that programmes can overlook bugs, keying-in operators can falsify monetary transactions competitors can hook up to a communication line, a piece of software package can fail to work properly and communication lines can be of low quality. Duffuor (2000) claims that hardware and soft ware should not be viewed as a way of solving problems but how banks gather, manage and use information are the crucial factors that ensures the success of the use of computers.

With regard to how training address the risks associated with computers, forty (80%) of the junior staff, all the senior staff, managers and directors reiterate that without training the risks and problems associated with the adoption of information technology by banks cannot be addressed to derive the maximum benefits from it. They enumerate training in computer programming and analysis

and the management and use of information as very essential for the computerization of the operations of banks. Their claims collaborate those of Duffuor (2000) and Nkrumah (2000). Duffuor (2000) asserts that for a bank to be a winner in the competition emanating from the use of computers, nothing should be more important than the development of the requisite human resources, adequately motivated and capable of handling the latest information technology and computer system. Nkrumah (2000) contends that an antidote to ineffective automation of banks' operations is systematic training of old hands. Indeed, training is indispensable for the adoption of computer technology. During interviews with them (Appendix C), they claimed that training is a pre-requisite for the adoption of information technology. They added that training in effective controls before the introduction computer technology, selection of correct hardware and effective gathering, management and use of information is very essential for the adoption of computer technology.

Although, the use of computers has brought immense benefits to the banking industry, it has also entailed some risks and problems that must be identified and managed to make the use of the technology effective. There is the need to retrain the old staff of banks or replace them with people conversant with the use of modern computers so that they can derive optimal benefit from the adoption of the computer technology.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter deals with the summary and, conclusions and implications from the study. Recommendations for the development of the human resource capacities in rural banks in the Brong-Ahafo Region have also been made for the consideration of the Bank of Ghana, the ARB Apex Bank limited and the Board of Directors of the rural banks in the region.

Objectives

The main objective of the study was to ascertain whether training is a performance improvement tool in the modern banking industry. Specifically, the research seeks to:

1. examine the knowledge of staff and directors of rural bank on training
2. describe the types of training in rural banks
3. ascertain the level of training of the staff and directors of rural banks
4. determine the relationship between training and support from donor agencies
5. examine the contribution of training to the mobilization of funds/deposits by rural banks

6. examine the contribution of training to the attraction and retention of customers
7. assess the relevance of training in adopting information technology (IT)

Methodology

The descriptive research design was used. The target population comprised all the rural banks in the Brong-Ahafo Region.

The accessible population consisted of Nsoatreman, Drobo, Wamfie, Kintampo, Ahafo and Baduman Rural Bank. Purposive and sample random techniques were used to select the sample. The research instruments used were questionnaire, interviews, observation and documents.

Research questions addressed

The following research questions have been addressed.

1. How do the knowledge levels of staff and directors on training determine the types of training in rural banks?
2. What types of training are available for the staff and directors of rural banks?
3. What type of training are designed for junior staff, senior staff and directors of rural banks?
4. How has training helped rural banks to attract the support of donor agencies?
5. How has training contributed to the mobilization of funds/deposits by rural banks?
6. In which ways has training helped rural banks to attract and retain customers?

7. How has training enabled rural banks to adopt information technology?

Summary of findings

The findings from the research have been summarized under the following sub-headings namely: Socio-demographic background of the respondents, definition of training, types of training programmes available in rural banks, training of rural bank staff and training of members of board of directors of rural banks. Others are training and attraction of support from donor agencies, training and mobilization of funds/deposits, training and customer attraction and retention and training and adoption of information technology.

Background information on the respondents

The junior staff respondents comprise forty (80%) males and ten (20%) females. The senior staff consists of thirteen (76%) males and four (24%) females. All the managers (100%) are males. The Board of Directors respondent is composed of only males.

On age distribution it was found out that most of the respondents fell between the age group of 41 and 50 years. Their experience in banking ranged between 10 and 20 years. This implies that the bank has experienced and dedicated staff who are capable of promoting a positive image of the bank by giving the customers good quality services, hence the need for their training, motivation and retention.

On academic and qualifications, the study further revealed that all the respondents have attained some level of qualification, both academic and professional.

Definition of training

Concerning the meaning of training, attempts were made to find out how the respondents understand it. The study revealed that twenty-four or (48%) of the junior staff, seven (47%) of the senior staff, three (43%) of the managers, and six (43%) of the directors contend that training is the method of developing knowledge, skills and attitudes of workers so that they can work effectively on their jobs. Meanwhile, twenty-six (57%) of the junior staff, eight (53%) of the senior staff, four (57%) of the managers and nine (57%) of the directors claim that training is a process of developing knowledge, skills and attitudes of workers in order to increase their efficiency and effectiveness at their present positions and also enable them to take up more responsible positions.

Regarding the difference between training and education, about 90% of the entire population claim that education provides people with broad knowledge, skills and attitudes upon which training is developed. Thus, they opine that education develops the knowledge, skills and attitudes of people that are not directed to the performance of a specific job, whereas training develops these domains of workers to meet specific job objectives.

Types of training available in rural banks

The study revealed that both on-the-job and off-the-job training programmes are available to all the junior, senior staff, managers and directors in their respective banks. The four respondent groups explained on-the-job training as a method of training, where a senior officer guides an individual in the most effective ways of doing a specific work whereas off-the-job training programme is the training of workers in the specific ways of doing a job outside the premises of the workplace or from the working situation.

It also came out of the study that until the establishment of ARB Apex Bank Limited, the staff did not have enough access to off-the-job training. However, they are now able to participate in workshops and seminars organized by the ARB Apex Bank in conjunction with the Bank of Ghana and other donor agencies.

The study further revealed that staff of rural banks are not readily sponsored by their Board of Directors to pursue courses such as accounting, economics and other banking related courses in the tertiary institutions because of the staffing problems that they think such a measure will entail.

Training of the staff and managers of rural banks

On the issue of training for the staff, the study revealed that majority of the respondents have had training in introduction to banking, money laundering and common frauds, cashiering and records/archives, strategic management, group animation and dynamics, entrepreneurial development, costing and pricing

of loans and syndication, leadership and strategic decision making among others. The respondents contend that the training they have had in banking has enabled them to deliver the goods.

Training of members of the board of directors of rural banks

It came to light that majority of the directors (86%) have been trained in leadership and strategic decision-making, drawing of corporate plans and annual budget, loan syndication and loan recovery procedures, Bank of Ghana reporting, requirements and statutory requirements for share transaction procedures.

Training and attraction of support from donor agencies

The study revealed that rural banks compete among themselves for donor support from donor agencies in the form of funds for micro-finance and the training of their staff and directors. It further revealed that the donor agencies critically assess the level of training of their staff before they are given the support.

Training and mobilization of funds/deposits by rural banks

It came out of the study that rural banks compete with each other to expand their areas of operation, adopt mobile banking services, set up revolving funds, improve the efficiency and effectiveness of the existing products, and build effective linkages with other micro-finance institutions in a bid to mobilize funds/deposits. Training in cashiering, records/archives management,

communication skills and managerial duties are essential for the expansion of the areas of operation of rural banks, the study further revealed.

The study also revealed that training in report writing, costing and pricing of products, services and loan syndication, and monitoring and recovery are essential for the success of the operation of revolving fund, whilst training in assets and liability management is very crucial for the improvement of the efficiency and effectiveness of existing products in rural banks.

Training, attraction and retention of customers by rural banks

The study revealed that rural banks compete with each other to attract and retain customers. The respondents contend that training enables their respective banks to attract and retain customers. They claim that training in banking ethics and observance of code of secrecy, cashiering, internal controls; customer care and good public relations are essential tools for the attraction of customers to rural banks as well as their retention, adding that training in cashiering enables the staff to treat customers as valued people.

It also came out of the study that training in human relations enables the staff to be responsive, attentive and receptive to customers, training in customer care equips the staff with requisite knowledge, skills and attitudes to attract and retain customers, training in banking enables the staff to observe their bank's code of secrecy and also adhere to the ethics of the banking profession, and also training in internal control system enables the staff to forestall loss of monies to the banks and customers alike.

Training and adoption of information technology by rural banks

All the respondents assert that rural banks are in competition with each other to adopt information technology. They indicated that their banks have computerized their operations. The study revealed that banks that computerize their operations have urge over their counterparts that have not done so since efficiency in terms of delivery service, easy access to information and improvement upon existing products are the benefits banks derive from the computerization of their operations.

Major conclusions

This study is not free from biases since research using observations and interviews cannot be absolute. In spite of this, conclusions can be drawn from the available evidence. The following conclusions can be drawn from the study:

1. The junior staff and the senior staff in the rural banks are quite youthful.
2. The junior staff, senior staff, managers and directors possess the requisite academic qualifications that qualify them for employment in rural banks.
3. With the exception of two managers and two directors, none of the staff and directors is a professional banker.
4. The junior staff, senior staff, managers and directors understand what is meant by training.
5. The basic training programmes namely; on-the-job and off-the-job coaching and mentoring are available in the rural banks.

6. The junior staff, senior staff, managers and directors have upgraded their knowledge and skills in banking by participating in courses organized by the ARB Apex Bank Limited in conjunction with the Bank of Ghana and other donor agencies.
7. Board of Directors of rural banks do not readily sponsor their staff to pursue courses such as economics and accounting that have bearing on banking in the tertiary institutions.
8. Rural banks compete with each other to attract support from donor agencies.
9. Support from donor agencies for rural banks is predicated upon their assessment of the human resource capacities of the staff and directors. Training is therefore a pre-requisite to attract support from donor agencies for rural banks.
10. There is intense competition among rural banks to mobilize funds /deposits. This competition takes the form of expansion of their areas of operation, adoption of mobile banking services, setting up of revolving funds and improvement in the efficiency and effectiveness of existing products. The success or otherwise of a bank in these forms of competition depends on the development of its human resource capacities.
11. Rural banks compete with each other to attract and retain customers.
12. Training in cashiering, human relations, customer care, banking ethics and observance of code of secrecy and effective internal controls enable rural banks to attract and retain customers.

13. About fifty percent (50%) of the rural banks have not computerized their operations.
14. Rural banks that have computerized their operations have an urge over those that have not done so. Rural banks derive a lot of benefits from information technology in respect of efficient delivery services, easy access to information and improvement upon existing products.
15. The adoption of computer technology entails some risks and problems. These include inadequate user training, ineffective controls to precede or at least accompany the introduction of computer technology, incorrect hardware selection and sizing, falsification of monetary transactions by keying-in operations and the collection, management and use of information.
16. Without training risks and problems associated with the adoption of computer technology by rural banks cannot be addressed. For rural banks to derive the maximum benefits from computerization in order to survive the present competitive banking environment, the staff needs to be trained in computer programming and analysis and the management and use of information.

Implications of the findings

The following issues can be deduced from the findings of the study.

1. The junior staff and senior staff are quite youthful. These workers therefore have a considerable number of years ahead of them for advancement in terms of the development of their human resource capacities.

2. The junior staff, senior staff, managers and directors possess the basic qualifications, which serve as sound foundation for training in banking.
3. Only two managers and two directors have professional qualifications in banking. This indicates that the staff depend mainly on on-the-job training and off-the-job training in the form of workshops and seminars to upgrade their knowledge and skills in banking.
4. The unwillingness on the part of the Board of Directors of rural banks to readily sponsor the staff to pursue courses in tertiary institutions shows that the staff have little opportunity to climb the academic ladder so far as they remain as workers with the rural banks.
5. The main types of training programmes namely; on-the-job and off-the-job are available in rural banks. This implies that the staff and directors have a variety of training opportunities to avail themselves of.
6. Donor agencies do not give support to rural banks on a silver platter. The level of training of the staff is one of the major criteria in determining the banks that should receive their support. This indicates that rural banks that want support from donor agencies should as a matter of urgency place premium on the development of the human resource capacities of their staff.
7. Rural banks are operating in a competitive banking environment. They are in keen competition with their counterparts as well as other banks to attract donor support, mobilize more funds/deposits and also attract and retain more customers to maximize their profits. Again, they are competing with each other in a bid to derive the maximum benefit from information technology.

The success or otherwise of the banks in these competitions depends mainly on the level of training of their staff and directors. This brings into sharp focus the need to give adequate training in banking to their staff.

Recommendations

In view of the findings from the research, the following recommendations are being made for the consideration of the Board of Directors of rural banks, the ARB Apex Bank Limited and the Bank of Ghana for improvement upon the operations of rural banks in Ghana.

1. The Board of Directors should appreciate the need to encourage the staff of the rural banks to pursue professional or banking related courses in the tertiary institutions. This will provide the staff with a more formidable foundation upon which training in various aspects of banking can be built.
2. The staff who possess the requisite qualifications should be given the necessary support and encouragement by the Board of Directors of rural banks to pursue professional courses in banking. This will enable them to acquire the necessary knowledge and skills in banking so that they can effectively deliver at their workplaces.
3. The ARB Apex Bank Limited should intensify its efforts at exposing the staff and directors of rural banks to various courses in banking. The courses run for them should be as regularly as possible. A Training Fund should be established by the ARB Apex Bank into which monthly minimal deductions from the salaries of the staff can be paid. Monies accruing from the Fund

could be used to augment the effort of the rural banks and the ARB Apex Bank Limited for the training of the staff and directors of rural banks. This is important because the banks and the staff mutually benefit from training programmes in the rural banks.

4. The ARB Apex Bank should pay attention to the training of the rural bank staff and directors in the development of new products. It is significant to note that almost all the products in the rural banks are not new ones but rather innovations upon the existing ones.
5. In this era of competitive banking environment, computerization of the operations of the rural should be treated as a matter of urgency by the Board of Directors, the ARB Apex Bank Limited and the Bank of Ghana.

Suggestions for future research

Since training is an essential tool for performance improvement, the topic for the study, "training as a tool for performance improvement in the modern banking industry: A case study of the rural banks in the Brong Ahafo Region", is very important. The study could be carried out in other banks in the country to either confirm or disprove the findings contained in this study. Further research could be conducted on the topic "Training in Rural Banks: Impact on the development of knowledge, skills and attitudes of staff, managers and directors.

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5. Highest Academic qualification

- SC/GCE 'O' LEVEL
- SC/GCE 'A' LEVEL
- SSSCE
- Other(s) Specify

(Applicable only to junior staff)

6. Highest Professional qualification

Background Information on the Senior Staff

7. Gender M F.

8. Age 25 - 33

34 - 42

43 - 51

52 - 60

60 +

9. Length of service in your present bank: years

10. Previous experience in any other bank from a rural bank
years

11. Highest Academic Qualification

- SC/GCE 'O' LEVEL
- SC/GCE 'A' LEVEL
- SSSCE
- B.A (HONS); B.Sc (HONS); B.Ed (HONS)

MA; MSc; M. Phil; D.Phil

Other(s) Specify

12 Highest Professional Qualification in

(a) Banking -----

(b) Accountancy -----

(c) Other(s) Specify:-----

Background Information on the Managers

13 Gender M F.

.14 Age 25 – 33

34 – 42

43 – 51

52 – 60

60 +

15 Length of service in your present bank: years

16. Previous experience in any other bank from a rural bank years

17 Highest Academic Qualification

SC/GCE 'O' LEVEL

SC/GCE 'A' LEVEL

SSSCE

B.A (HONS); BSc (HONS); B.Ed. (HONS)

MA; MSc; M. Phil; D.Phil

Other(s) Specify

18 Highest Professional Qualification in

(a) Banking -----

(b) Accountancy -----

(c) Other(s) Specify:-----

Background Information on the Directors

19. Gender M F

20. Age: 25 – 33

34 – 42

43 – 51

52– 60

60 +

21. Length of service as a director of the bank: ----- years

22. Previous experience in any other bank as a Director: ----- years.

23 Highest Academic Qualification

SC/GCE 'O' Level

SC/GCE 'A' Level

SSSCE

B.A (HONS), BSc (HONS); B.Ed (HONS)

MA, MSc; M. Phil; D. Phil

Other(s) Specify -----

24. Highest Professional Qualification in

(a) Banking -----

(b) Accountancy -----

(c) Other(s) Specify:-----

**PERCEPTIONS OF JUNIOR STAFF, SENIOR STAFF, MANAGERS AND
DIRECTORS ABOUT TRAINING**

25. What do you understand by training?

.....
.....

26 Do you think training is different from education ?

YES NO

27 If YES state the difference(s).

.....

STATEMENT	R E S P O N S E S					FOR
	Very True	True	Uncertain	Untrue	Very Untrue	CODING
28. Training refers to a calculated effort by a company to improve the knowledge, skills and attitudes of employees so that they can be competent at their jobs.						
29. Training comprises systematic programmes aimed at improving performance at individual, group and /or organizational levels..						
30 Training is the process of developing the knowledge, skills and attitudes of individuals so that they can work effectively at their present positions and also assume higher responsibilities.						

TYPES OF TRAINING AVAILABLE IN RURAL BANKS

31. What types of training programmes are available in your bank?

.....
.....

32. Briefly explain the types of training programmes as stated in item 31 above.

.....

33. Are you able to participate in workshops and seminars in banking organized by the ARB Apex Bank Ltd in conjunction with the Bank of Ghana and other donor agencies?

YES NO

**TRAINING OF THE JUNIOR STAFF, SENIOR STAFF,
MANAGERS AND DIRECTORS OF RURAL BANKS**

34 Do you think the training you have had in banking has enabled you to effectively perform your duties? YES NO

35 If YES, state the courses that you have pursued in banking under the training programmes organized for you.

.....

**TRAINING AND ATTRACTION OF SUPPORT FROM DONOR
AGENCIES**

36 (a) Do rural banks compete with each other to attract support from donor agencies? YES NO

37 (a) Does your banks receive any kind of support from donor agencies?
YES NO

(b) If YES what kind(s) of support does your bank receive from the donor agencies?.

.....

Do the donor agencies assess the level of training of the staff before supporting your bank?

YES NO

**TRAINING AND MOBILIZATION OF FUNDS/DEPOSITS BY RURAL
BANKS**

39 (a) Do rural banks compete with each other to mobilize funds/deposits?

YES NO

(b) If YES, how do they compete to mobilize funds/deposits?

.....

40 (a) Has the training of your staff and directors enabled your bank to

expand its area of operation? YES NO

(b) If YES, which types of training of the staff have enabled your bank to expand
its area of operation and how?

.....

41 Does your bank provide mobile banking services to customers?

YES NO

(b) If YES, has the training of the staff and directors enabled your banks
to provide mobile banking services to it customers?

42 If the training of staff and directors has enabled your banks to provide
banking services to its customers what are they?

.....

43 (a) Has the training of the staff and directors enabled your bank to set up
revolving fund? YES NO

(d) If YES, what type of training has enabled your bank to set up revolving
fund?

44. (a) Do rural banks compete with each other to improve upon the efficiency and effectiveness of existing products?

YES NO

(b) If training of the staff and directors has enabled rural banks to improve upon the efficiency and effectiveness of existing products, what are these types of training?

.....

45. (a) Do rural banks compete with each other to establish linkages with other micro-finance institutions? YES NO

(b) Has training enabled your bank to establish linkages with other micro-finance institution? YES NO

If YES , what are these types of training?

46. Do rural banks compete with each other to attract and retain customers?

YES NO

47. (a) Has the training of the staff enabled your bank to attract and retain customer? YES NO

(b) If YES, which types of training of the staff have enabled your bank to attract and retain customers and how?

STATEMENT	RESPONSES					FOR CODING
	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	
48 Training of the staff in cashiering enables the staff to treat customers as valued customers						
49. Training in human relations enables the staff to be empathic, responsive, attentive and receptive to customers. responsive services to customers						
50 Training of the staff in customer care equips them with the knowledge, skills and attitudes to attract and helps customers						
51. Training of the staff in banking enables them to observed bank's code of secrecy and adhere to the ethics of the profession						
52 Training in internal control system enables the staff and directors to forestall loss of monies to customers						

TRAINING AND ADOPTION OF INFORMATION TECHNOLOGY

53. Are rural banks competing with each other to adopt information technology in order to derive the minimum benefit from it?
YES NO
54. Has your bank adopted computer technology in its operations?
YES NO
55. Do rural banks that have computerized their operations to adopt information technology have urge over their counterparts that have not done so? YES NO
56. If banks that have computerized their operations have urge over their counterparts that have not done so, what are the benefits that they derive from computerization?
57. Do you think without training rural banks can computerize their operations? YES NO
58. (a) Are there any risks and problems associated with the adoption of computer technology by your bank? YES NO
(b) If YES, state the risks and problems.....
.....
59. (a) Do you think without training your bank can address risks and problems associated with computer technology? YES NO
(b) State the types of training that are necessary to address the risks and problems associated with computer technology
.....

APPENDIX B

RESPONSES OF THE JUNIOR STAFF, SENIOR STAFF, MANAGERS AND DIRECTORS TO THE OPEN-ENDED ITEMS IN APPENDIX A (Items 25, 27 and 32)

(1) Item 25.

The way the knowledge, skills and attitudes of workers are sharpened for a particular job

- Junior Staff	(46%)
- Senior Staff	(47%)
- Managers	(43%)
- Directors	(44%)

The method where the knowledge, skills and attitudes of workers are developed for their present and future jobs

- Junior Staff	(54%)
- Senior Staff	(53%)
- Managers	(56%)
- Directors	(56%)

(2) Item 27

Education is broader than training. It is on education that we can develop training. Education develops the knowledge, skills and attitudes of people to enable them to do general work whereas training develops these domains for a particular job

- Junior Staff (92%)
- Senior Staff (100%)
- Managers (100%)
- Directors (100%)

(3) Item 32

On-the-job training is the type of training, where a senior worker or a colleague worker directors another worker as to how best a particular work can be done

- Junior Staff (100%)
- Senior Staff (100%)
- Managers (100%)
- Directors (100%)

Off-the-job training is the method of training that takes place outside the workplace in educational institutions and at workshops and conferences

- Junior Staff (100%)
- Senior Staff (100%)
- Managers (100%)
- Directors (100%)

Coaching and Mentoring are the processes that help workers to acquire more knowledge and skills for a job so that they would be efficient

Coaching and Mentoring are the processes that enhance the efficiency and effectiveness of employees.

-Junior staff (100%)

- Senior Staff (100%)

-Managers (100%)

- Directors (100%)

APPENDIX C

INTERVIEW SCHEDULE FOR THE JUNIOR STAFF, SENIOR STAFF,
MANAGERS AND MEMBERS OF THE BOARD OF DIRECTORS

Definition of training

1. Do you think training is beneficial to you and your bank?

YES NO

2. (a) Do you consider training as a competitive tool in today's banking industry?

YES NO

(b) If YES, why?

.....

Types of Training Available in Rural Banks

3. (a) Which type of training programme is given priority in your bank?

.....

(b) Is there any opportunity for you to have access to other types of training?

YES NO

4. Have you undergone enough training programmes in banking to enable you to do your work effectively? YES NO

5. What do you think has been the impact of training on the staff of your bank?

.....

6. (a) Do you readily sponsor your staff to pursue courses like accounting and economics that have bearing on banking in the tertiary institutions?

YES NO

If NO why?

(To be posed only to members of the Board of Directors)

Training and Attraction of Support from Donor Agencies

6. (a) Does your bank compete with other rural banks to attract donor support?

YES

NO

6 If YES, in which areas does it compete with them?

.....

7. What main criterion do donor agencies use to determine whether or not to support a rural bank?

8. Do you consider training as an instrument for attracting donor support for rural banks? YES NO

Training of the Junior Staff, Senior Staff, Managers and Directors of Rural Banks

9 (a) Have you pursued quite a considerable number of courses in banking to enable you to discharge your duties creditably? YES NO

(b) If YES, mention the courses that you have pursued.

.....

.....

10. Has training enabled your bank to compete favourably with other rural banks? YES NO

11. Training and Mobilization of Funds/Deposits by Rural Banks.

(a) Does your bank compete with other rural banks to mobilize funds/deposits?

YES

NO

(b) If YES, in which ways do they compete to mobilize funds/deposits?

.....

12. Which courses in banking enable your bank to

(a) expand its area of operation?

(b) adopt mobile banking services?

(c) set up revolving funds?

(d) improve the efficiency and effectiveness of existing products?

(e) build effective linkages with other micro-finance institutions?

13. In which areas does your bank establish linkages with other micro-finance institutions

14. (a) Has there been any steady increase in the mobilization of funds/deposits by your bank since 2000 YES NO

(b) If YES, why do you say so?

.....

15. What do you consider to be the main contributory factor to your bank's ability to increase its funds/deposits mobilization?

.....

Training and the Attraction and Retention of Customers in Rural Banks

16. Does your bank compete with other rural banks to attract and retain customers? YES NO

17. Do you consider training as a means to attract and retain customers in your bank? YES NO

18. How does training in the following banking courses help your bank to attract and retain customers?

- (a) cashiering?
- (b) human relations?
- (c) customer care
- (d) banking as a profession?
- (e) internal control system?

Training and the adoption of information technology

19 Does your bank compete with other rural banks to adopt information technology? YES NO

20. (a) Do you think training is a pre-requisite for the use of information technology? YES NO

(b) If YES, why?

.....

21. What types of training are essential for the adoption of computer technology?

.....

APPENDIX D

EXTRACTS OF PRUDENTIAL RETURNS FROM THE BANK OF

GHANA (2000 TO 2004)

NSOATREMAN RURAL BANK

	2000	2001	2002	2003	2004
NO.OF CUSTOMERS	18,252	23,139	25,476	28,084	28,312
DEPOSITS	4,348,665,085	6,164,397,985	10,379,112,525	13,706,254,926	16,758,207,402
NET PROFIT BEFORE TAX	414,704,470	531,083,620	622,264,347	692,301,014	727,142,008
LOAN	3,752,665,258	4,376,586,320	5,638,860,606	6,849,203,686	7,329,817,809

BADUMAN RURAL BANK

	2000	2001	2002	2003	2004
NO. OF CUSTOMERS	13,201	16,346	18,289	20,567	23,575
DEPOSITS	2,248,773,065	3,134,322,029	7,758,249,312	9,806,339,212	11,482,352,499
NET PROFIT BEFORE TAX	192,704,430	246,082,612	322,489,244	489,224,633	599,385,467
LOAN	1,750,789,312	2,011,346,332	2,989,012,466	3,011,346,489	4,261,289,107

DROBO RURAL BANK

	2000	2001	2002	2003	2004
NO. OF CUSTOMERS	1,970	2,836	4,272	5,782	6,887
DEPOSITS	798,765,000	1,480,304,000	5,221,376,000	6,250,924,000	5,886,911,000
NET PROFIT BEFORE TAX	73,541,000	266,754,000	401,565,000	746,254,000	715,693,000
LOAN	145,238,000	199,629,000	511,031,000	1,404,643,000	2,086,769,000

KINTAMPO RURAL BANK

	2000	2001	2002	2003	2004
NO. OF CUSTOMERS	10,224	12,489	13,899	14,538	16,221
DEPOSITS	1,998,634,076	2,011,324,330	4,652,362,123	6,481,289,654	8,255,221,346
NET PROFIT BEFORE TAX	142,321,440	175,036,294	252,067,235	319,211,312	590,246,189
LOAN	1,001,241,062	1,293,256,415	1,932,013,263	2,043,221,330	3,012,461,224

AHAFO COMMUNITY BANK

	2000	2001	2002	2003	2004
NO. OF CUSTOMERS	12,110	14,343	16,278	18,219	20,367
DEPOSITS	1,999,789,655	2,989,967,358	5,989,728,412	7,86,421,312	9,998,348,221
NET PROFIT BEFORE TAX	172,604,312	202,073,763	291,401,263	398,312,244	498,241,363
LOAN	1,010,652,468	1,998,475,732	2,212,013,363	2,894,211,066	3,979,212,389

WAMFIE RURAL BANK

	2000	2001	2002	2003	2004
NO. OF CUSTOMERS	11,555	12,460	14,755	17,784	18,973
DEPOSITS	2,707,732,000	3,973,513,000	6,908,328,000	9,895,573,000	11,480,635,000
NET PROFIT BEFORE TAX	108,421,000	187,912,000	316,472,000	604,119,000	757,662,000
LOAN	889,832,000	2,003,879,000	4,314,500,000	3,024,539,000	6,351,443,000

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