

A Study on the Impact of Training Programs on Audit Performance Based on Employee Survey in Public Sector Banks (With Reference to Nagpur City)

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Abstract - In the banking industry, where audit performance is critical for guaranteeing transparency, compliance, and financial discipline, training programs are essential for improving staff competency and organizational success. Based on a survey of workers in Nagpur city, this study attempts to investigate how training initiatives affect audit performance in public sector banks. The study assesses the effects of training on audit efficiency, correctness, regulatory compliance, and risk management using primary data gathered from 50 respondents. The results show that well-designed training programs greatly enhance audit performance and lower operational errors, fortifying public sector banks' internal control systems.

Key Words: Training Programs, Audit Performance, Public Sector Banks.

1. INTRODUCTION

Public sector banks are essential to India's financial system because they mobilize public funds, provide loans to different economic sectors, and promote the country's economic growth. These banks are subject to stringent regulatory scrutiny by organizations like the Reserve Bank of India (RBI) because of their extensive client base and high volume of financial activities. Therefore, it is crucial to adhere to regulatory standards, provide accurate financial reporting, and maintain operational openness. In this situation, maintaining financial discipline, stopping fraud and poor management, and protecting public monies all depend on efficient audit performance. In addition to being a means of identifying mistakes and anomalies, audits are a crucial instrument for bolstering internal control frameworks and enhancing overall organizational effectiveness.

Employee training has become a key component in improving audit quality at public sector banks in recent years. Employees' knowledge and abilities regarding audit procedures, regulatory and compliance standards, risk management techniques, and the usage of contemporary technological systems like Core Banking Solutions (CBS) and digital audit tools are all intended to be enhanced via training programs. Employees can stay informed about growing operational and financial risks, changing RBI guidelines, and increasing audit standards through ongoing, well-structured training. Because of this, trained staff members are better able to carry out audit jobs effectively, lower audit errors, guarantee regulatory compliance, and help public sector banks

achieve higher audit performance and more robust internal controls.

With a particular focus on Nagpur city, this study looks at how training programs affect audit performance in public sector banks. The study aims to evaluate the impact of training on audit efficiency, accuracy, compliance, and risk management using an employee survey. The study also looks at how employees see these training programs' applicability and efficacy in improving audit skills and overall audit quality. The results are intended to help policymakers and bank management create training interventions that are more successful, bolster internal controls, and guarantee higher audit performance standards in public sector banks.

OBJECTIVES OF THE STUDY

1. To research the types of training initiatives carried out by public sector banks.
2. To examine how audit performance is affected by training programs.
3. To find out how employees feel about training's ability to raise audit quality.
4. To determine if training reduces non-compliance and audit errors.
5. To offer recommendations for enhancing training courses pertaining to audit functions.

LIMITATION OF THE STUDY

The investigation is restricted to a few Nagpur city public sector banks. It focuses on workers engaged in audit-related tasks, including branch managers, officers, risk and compliance officers, finance and accounts staff, internal audit staff, and IT audit professionals. The core data used in the study was gathered from a sample of 50 respondents using a standardized questionnaire.

REVIEW OF LITERATURE

According to a 2015 study by Sharma and Goyal that concentrated on Indian public sector banks, audit-related training programs are crucial for enhancing adherence to RBI regulations and lowering audit objections. Employees who routinely participated in training programs demonstrated a greater comprehension of internal control systems and audit procedures, according to the researchers.

Employee knowledge, abilities, and work performance are greatly enhanced by well-designed training programs, according to Goldstein and Ford (2002). In the banking industry, training gives staff members up-to-date technical knowledge and facilitates their adaptation to

shifting regulatory landscapes. According to their research, jobs involving audits and compliance require ongoing education.

Training has a beneficial impact on audit efficiency, fraud prevention, and risk detection, according to research by Rao and Das (2018) on the efficacy of training programs in Indian public sector banks. Because of the expanding use of digital audit tools and Core Banking Solutions (CBS), the study emphasized the growing significance of technology-based training.

Reserve Bank of India (RBI) reports consistently emphasize capacity building and training of audit and compliance staff in banks. RBI (2021) stressed that regular training helps banks maintain regulatory compliance, improve audit efficiency, and strengthen risk management frameworks.

These conclusions are further supported by recent research. According to research done in 2023–2024, ongoing, structured training programs raise regulatory compliance, lower audit errors, and increase audit quality. When training is applicable, case-based, and in line with their job duties, employees believe it to be more effective. Furthermore, because of the continuous changes in regulations and improvements in technology, it is now imperative to receive updated training on RBI rules and digital audit systems.

A recent study by Mehta and Kulkarni (2020) revealed that training programs reduce audit errors and enhance employees' confidence in handling complex audit assignments. The study also found that employees perceive training as an important motivator that improves job satisfaction and performance.

Furthermore, market trend reports from 2025 indicate that although training programs are essential for developing competence, repetitive and general training can cause disengagement and reduce recall of important audit concepts. This emphasizes how crucial it is to create interesting, current, and customized training materials in order to guarantee long-term gains in audit performance.

RESEARCH METHODOLOGY

Research Design

The study adopts a descriptive and analytical research design, as it describes existing training practices and analyses their impact on audit performance.

Source of Data

- **Primary Data:** Collected through a structured questionnaire administered to bank employees.
- **Secondary Data:** Collected from books, journals, bank manuals, RBI guidelines, and official reports.

Sample Size and Sampling Technique

- **Sample Size:** 50 employees
- **Sampling Technique:** Convenient sampling

Respondent Profile

The respondents include:

- Internal Auditors and Audit Officers
- Branch Managers and Officers
- Finance and Accounts Staff
- Risk and Compliance Officers
- IT and Systems Audit Staff

DATA ANALYSIS

Section A: Demographic Profile

Q1.Age of Respondents

Age Group (Years)	No. of Employees	Percentage (%)
Less than 25	8	16%
25–35	20	40%
36–45	14	28%
46–55	6	12%
Above 55	2	4%
Total	50	100%

Analysis:

The majority of respondents (40%) are aged between 25–35 years, indicating a relatively young workforce. About 28% are between 36–45 years, reflecting mid-career professionals. Only a small proportion (16%) are below 25, and very few (4%) are above 45, showing a mix of experience and age diversity in the sample.

Q2.Marital Status of Respondents

Marital Status	No. of Employees	Percentage (%)
Single	18	36%
Married	32	64%
Total	50	100%

Analysis:

Most respondents (64%) are married, while 36% are single. This indicates that the majority of employees have family responsibilities, which could influence their learning preferences and training participation.

Q3.Designation of Respondents

Designation	No. of Employees	Percentage (%)
Internal Auditor	12	24%
Audit Officer	10	20%
Branch Manager	6	12%
Officer (Scale I/II/III)	8	16%
Accounts / Finance Staff	7	14%
Risk / Compliance Officer	5	10%
IT / Systems Audit Staff	2	4%
Total	50	100%

Analysis:

The majority of respondents are Internal Auditors (24%) and Audit Officers (20%), indicating that the survey primarily reflects the views of employees directly involved in audit functions. Branch Managers, Officers, and other specialized staff also contributed, ensuring

representation across different roles in public sector banks.

Q4.Years of Experience

Experience Level	No. of Employees	Percentage (%)
Less than 5 years	14	28%
5–10 years	18	36%
10–15 years	10	20%
Above 15 years	8	16%
Total	50	100%

Analysis:

Most respondents (64%) have less than 10 years of experience, suggesting the majority are relatively early-to mid-career professionals. About 36% of respondents have over 10 years of experience, providing a balanced perspective across experience levels.

Section B: Nature of Training Programs

Objective 1: To study the nature of training programs conducted in public sector banks

Question 5: Frequency of Audit-Related Training Programs

Frequency of Training	No. of Employees	Percentage (%)
Very Frequently	10	20%
Frequently	18	36%
Occasionally	14	28%
Rarely	6	12%
Never	2	4%
Total	50	100%

Analysis:

The table shows that 56% of employees reported that audit-related training programs are conducted either very frequently or frequently. However, 28% indicated that training is conducted only occasionally, suggesting the need for more regular and structured training schedules across banks.

Question 6: Types of Training Programs Attended

(Multiple responses)

Type of Training Program	No. of Employees	Percentage (%)
In-house Training	32	64%
External Training Programs	18	36%
Online / E-learning Programs	22	44%
Workshops / Seminars	26	52%

Analysis:

The majority of employees (64%) have attended in-house training programs, indicating that public sector banks primarily rely on internal training mechanisms. Participation in workshops, seminars, and online learning is also significant, reflecting a blended approach to training.

Question 7: Coverage of Current Audit and RBI Guidelines in Training Programs

Response Option	No. of Employees	Percentage (%)
Strongly Agree	15	30%
Agree	21	42%
Neutral	8	16%
Disagree	4	8%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

A substantial 72% of employees agree that training programs adequately cover current audit practices and RBI guidelines. This indicates that training content is largely aligned with regulatory requirements, though a small proportion of employees feel that updates could be improved.

Objective 2: To Analyze the Impact of Training Programs on Audit Performance

Question 8: Training programs improve my understanding of audit procedures

Response Option	No. of Employees	Percentage (%)
Strongly Agree	18	36%
Agree	20	40%
Neutral	7	14%
Disagree	3	6%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

A strong majority (76%) of employees either agree or strongly agree that training programs enhance their understanding of audit procedures. This indicates that training plays a crucial role in clarifying audit concepts, standards, and processes.

Question 9: Training helps in performing audit tasks more efficiently

Response Option	No. of Employees	Percentage (%)
Strongly Agree	17	34%
Agree	21	42%
Neutral	6	12%
Disagree	4	8%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

About 76% of respondents feel that training improves efficiency in performing audit tasks. This reflects the practical usefulness of training in reducing time, improving accuracy, and enhancing confidence during audits.

Question 10: Training enhances my ability to identify audit risks and irregularities

Response Option	No. of Employees	Percentage (%)
Strongly Agree	16	32%
Agree	19	38%
Neutral	8	16%
Disagree	5	10%

Strongly Disagree	2	4%
Total	50	100%

Analysis:

Nearly 70% of employees agree that training enhances their ability to identify audit risks and irregularities. This suggests that training strengthens analytical skills, professional judgment, and risk-based audit approaches.

Objective 3: To Examine Employees' Perception of Training Effectiveness in Improving Audit Quality

Question 11: Training programs improve overall audit quality

Response Option	No. of Employees	Percentage (%)
Strongly Agree	17	34%
Agree	20	40%
Neutral	8	16%
Disagree	3	6%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

A substantial 74% of employees agree or strongly agree that training programs improve overall audit quality. This indicates that training contributes positively to accuracy, compliance, and professionalism in audit work.

Question 12: Relevance of training to audit-related job responsibilities

Response Option	No. of Employees	Percentage (%)
Strongly Agree	16	32%
Agree	21	42%
Neutral	7	14%
Disagree	4	8%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

About 74% of respondents feel that the training provided is relevant to their audit-related responsibilities. This reflects proper alignment between training content and job requirements, though a small proportion perceives a need for better customization.

Question 13: Trainers' knowledge and expertise in audit functions

Response Option	No. of Employees	Percentage (%)
Strongly Agree	18	36%
Agree	19	38%
Neutral	6	12%
Disagree	5	10%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

A strong majority (74%) believe that trainers possess adequate knowledge and expertise in audit functions. This suggests that the quality of trainers contributes significantly to effective learning and improved audit outcomes.

Objective 4: To Assess Whether Training Helps in Reducing Audit Errors and Non-Compliance

Question 14: Training programs help in reducing audit errors

Response Option	No. of Employees	Percentage (%)
Strongly Agree	18	36%
Agree	19	38%
Neutral	7	14%
Disagree	4	8%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

A significant 74% of respondents agree that training programs help reduce audit errors. This indicates that training improves accuracy, procedural understanding, and professional judgment during audits.

Question 15: Training helps in better compliance with RBI and bank regulations

Response Option	No. of Employees	Percentage (%)
Strongly Agree	17	34%
Agree	21	42%
Neutral	6	12%
Disagree	4	8%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

About 76% of employees feel that training enhances compliance with RBI and internal bank regulations. This reflects the role of training in keeping auditors updated with regulatory changes and compliance requirements.

Question 16: Reduction in audit objections and observations after training

Response Option	No. of Employees	Percentage (%)
Strongly Agree	16	32%
Agree	20	40%
Neutral	8	16%
Disagree	4	8%
Strongly Disagree	2	4%
Total	50	100%

Analysis:

A majority (72%) of respondents observed a reduction in audit objections and observations after undergoing training. This indicates that training contributes to improved audit quality and compliance outcomes.

Objective 5: To Provide Suggestions for Improving Training Programs Related to Audit Functions

Question 17: Audit-related training programs should be conducted more frequently

Response Option	No. of Employees	Percentage (%)
Strongly Agree	20	40%
Agree	18	36%
Neutral	7	14%
Disagree	3	6%
Strongly Disagree	2	4%

Total	50	100%
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Analysis:

A majority (76%) of respondents believe that audit-related training should be conducted more frequently, suggesting that increased training sessions could enhance audit performance and compliance awareness.

Question 18: Practical and case-based training is more effective than theoretical training

Response Option	No. of Employees	Percentage (%)
Strongly Agree	21	42%
Agree	19	38%
Neutral	6	12%
Disagree	3	6%
Strongly Disagree	1	2%
Total	50	100%

Analysis:

A large proportion (80%) of employees agree that practical, case-based training is more effective than purely theoretical sessions. This highlights the need for hands-on learning to tackle real audit challenges.

Question 19: Components suggested to improve training programs

(Multiple responses allowed)

Suggested Component	No. of Employees	Percentage (%)
Practical case studies	36	72%
Updated RBI guidelines	32	64%
IT and digital audit training	28	56%
Fraud detection techniques	24	48%
All of the above	30	60%

Analysis:

Employees suggested multiple improvements to training programs:

Practical case studies (72%) and updated RBI guidelines (64%) were highly preferred.

IT/digital audit training (56%) and fraud detection techniques (48%) also received significant support.

60% of respondents suggested including all components for a comprehensive training program.

This indicates that employees value practical, updated, and technology-oriented training to enhance audit effectiveness.

Overall Interpretation based on Objective

Interpretation for Objective 1

The analysis reveals that public sector banks conduct audit-related training with reasonable frequency, mainly through in-house and workshop-based programs. Training content generally covers current audit and RBI guidelines, but there remains scope for increasing training frequency and expanding external and technology-driven learning modules.

Interpretation for Objective 2

The analysis clearly demonstrates that training programs have a positive and significant impact on audit performance. Employees report improved understanding of audit procedures, greater efficiency in audit tasks, and enhanced capability to identify risks and irregularities. This confirms the importance of continuous and well-structured training programs in public sector banks.

Interpretation for Objective 3

The findings reveal a positive perception among employees regarding training effectiveness. Training programs are viewed as relevant, well-delivered, and instrumental in enhancing audit quality. However, minor concerns among neutral and dissatisfied respondents suggest the need for continuous trainer development and periodic review of training content.

Interpretation for Objective 4

The analysis clearly demonstrates that training programs play a crucial role in reducing audit errors, improving regulatory compliance, and minimizing audit objections. Continuous and updated training programs can further strengthen compliance culture in public sector banks.

Interpretation for Objective 5

The analysis reveals that employees strongly favour more frequent, practical, and comprehensive training programs. Incorporating case studies, updated regulatory guidelines, IT tools, and fraud detection modules can significantly improve the quality and effectiveness of audit training in public sector banks.

CONCLUSION

The study concludes that audit-related training programs in public sector banks play a crucial role in enhancing employees' understanding of audit procedures, improving efficiency, and reducing errors while ensuring better compliance with RBI and bank regulations. Employees perceive the training as effective in improving overall audit quality, though there is a clear need for more frequent, practical, and case-based sessions. Incorporating updated guidelines, IT tools, and fraud detection techniques can further strengthen the impact of training. Overall, well-structured and continuous training programs are essential for improving audit performance and maintaining high standards of compliance and professionalism in public sector banks.

SUGGESTIONS

To improve audit training programs in public sector banks, it is recommended to conduct training more frequently and focus on practical, case-based learning rather than only theoretical sessions. Training content should be regularly updated to include current RBI guidelines, IT and digital audit tools, and fraud detection techniques. Trainers should have adequate expertise, and a blended approach of in-house, external, and online learning can enhance accessibility and effectiveness. Regular evaluation of training programs through feedback and performance assessment will ensure

continuous improvement and better alignment with employees' audit responsibilities.

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QUESTIONNAIRE

A Study on the Impact of Training Programs on Audit Performance in Public Sector Banks

Instructions:

Please tick (✓) the option that best represents your opinion. The information provided will be used only for academic research and kept confidential.

Section A: Demographic Profile

Q1.Age of Respondents

- ☐ Less than 25 ☐ 25-35 ☐ 36-45
☐ 46-55 ☐ above

Q2.Marital Status of Respondents

- ☐ Single ☐ Married

Q3.Designation of Respondents

- ☐ Internal Auditor
☐ Audit Officer
☐ Branch Manager
☐ Officer (Scale I/II/III)
☐ Accounts / Finance Staff
☐ Risk / Compliance Officer
☐ IT / Systems Audit Staff

Q4.Years of Experience:

- ☐ Less than 5 years ☐ 5–10 years
☐ 10–15 years ☐ Above 15 years

Section B: Nature of Training Programs

Q5. How frequently are audit-related training programs conducted in your bank?

- ☐ Very frequently ☐ Frequently
☐ Occasionally ☐ Rarely
☐ Never

Q6. What type of training programs have you attended?

- ☐ In-house training
☐ External training programs
☐ Online / E-learning programs
☐ Workshops / Seminars

Q7.Training programs cover current audit and RBI guidelines.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Section C: Impact of Training on Audit Performance

Q8.Training programs improve my understanding of audit procedures.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Q9.Training helps in performing audit tasks more efficiently.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Q10.Training enhances my ability to identify audit risks and irregularities.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Section D: Employees' Perception of Training Effectiveness

Q11.Training programs improve overall audit quality.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Q12.The training provided is relevant to my audit-related job responsibilities.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Q13.Trainers possess adequate knowledge and expertise in audit functions.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Section E: Reduction of Audit Errors and Non-Compliance

Q14.Training programs help in reducing audit errors.

- ☐ Strongly Agree ☐ Agree ☐ Neutral
☐ Disagree ☐ Strongly Disagree

Q15. Training helps in better compliance with RBI and bank regulations.

☐ Strongly Agree ☐ Agree ☐ Neutral

☐ Disagree ☐ Strongly Disagree

Q16. After training, audit objections and observations have reduced.

☐ Strongly Agree ☐ Agree ☐ Neutral

☐ Disagree ☐ Strongly Disagree

Section F: Suggestions for Improvement

Q17. Audit-related training programs should be conducted more frequently.

☐ Strongly Agree ☐ Agree ☐ Neutral

☐ Disagree ☐ Strongly Disagree

Q18. Practical and case-based training is more effective than theoretical training.

☐ Strongly Agree ☐ Agree ☐ Neutral

☐ Disagree ☐ Strongly Disagree

Q19. Which of the following should be included to improve training programs?

☐ Practical case studies

☐ Updated RBI guidelines

☐ IT and digital audit training

☐ Fraud detection techniques

☐ All of the above

Please give your suggestions for improving audit-related training programs:
