The Impact of Training and Development on Performance of Organizational Growth

Christopher Manimtim Panganiban, Ph.D
College of Administrative and Financial Sciences, AMA International University Bahrain, P.O.BOX 18041 Salmabad, Kingdom of BAHRAIN

ABSTRACT
The study aimed to assess Training and development of employees is critical in organizations in this era of competition due to the fact that organizations need to survive, grow and develop. Consequentially, training and development has become an issue of strategic importance. Although many scholars have conducted research on training and development practices in organizations in both developing and developed economies, it is worth mentioning that most of the research has concentrated on the benefits of training in general. To fill this gap, this study critically examines in detail the benefits, approaches and evaluation techniques applied in training and development of employees in an organization. The methodology adopted for this study was random samplings and two groups of respondent. The major finding of the study indicated that training and development of employees increases organizational effectiveness and enhances competitiveness. Training Design and Development have significant affect on Organizational Performance and all these have positively affected the Organizational Performance. However, results are strongly based on the literature review. The contribution of this study is that it provokes insights amongst owners / managers, policy makers and scholars on how organization training and development practices could be enhanced in organization.

Keywords. Training and Development, Training Design, Training Evaluation, Training Implementation, Facilities

I. INTRODUCTION
Training is considered to be a critical human resource management practice since it increases intellectual capital of the company and contributes to gaining a sustainable competitive advantage. Companies are facing fierce challenges nowadays due to the impact of globalization and economic uncertainty. For them to adapt to the knowledge driven economy, changes in the companies' culture are vital to their survival or expansion. It is common knowledge that many organizations are rely heavily on training and developing human resource. For a well-trained and well-developed workforce is part of an organization’s competitive advantage. Training is a learning experience which seeks a relatively permanent change in the individual that will improve his ability to perform his job well. Every organization needs to have well trained, experienced and adjusted employees to perform their duties efficiently. Training can involve the changing of skills, knowledge, attitudes, or behavior. It may mean changing what employees know, how they work, their attitudes toward their work, or their interaction with their coworkers or supervisor.

Wardale, (2009) in essence, the main internal driver of change is the desire of an organization to become more competitive and high performing in satisfying customers’ needs. This context, change management plays a crucial role in the success of an organization. Such management always involves people in an organization [4].The contribution and improvement of organization performance is primarily through development of people as individuals, work groups and as members of the wider organization. Furthermore, training and development of employees is a systematic process that intends to ensure that the organization has effective employees to meet the exigencies of its dynamic environment. This is inclusive of adding to the employee knowledge, skills and attitudes required by an individual to improve his performance in the organization.

Hence, training and development is one of the most important activities in Human Resources Development Program of any progressive company. The typical reasons why an organization invests in training and development program is to benchmark the contributions of planned performance efforts that are integral to its overall professional development program. The program’s end view is to help employees become more aware of the planned structural change in the organization and train them on new skills in specialized fields like communication, information technology literacy, customer service, marketing diversity, and quality initiatives Hucker, (2010). Training has implications for productivity, health and safety at work and personal development. The
employees who work in the training and development department know the importance of training and development and how training considers as the cornerstone in increasing the performance and competencies of employees.

II. METHODOLOGY

This study used the descriptive type of research to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables or conditions in a situation. The methods involved activities that range from conducting a survey to describe the status quo and investigating the relationship between variables, to determining changes over time.

Population and Sampling

Slovin Formula

\[ n = \frac{N}{1+N \epsilon^2} \]

Where:

- \( n \) = sample size
- \( N \) = population
- \( \epsilon \) = is error margin (.05)

The research instrument was structured according to these parts: (1) Status of the training and development program activities of the Gulf Industrial Investment Company; (2) Level of effectiveness of the training and development activities; and (3) Problems encountered in the conduct of training and development program activities. The collected copies of the research instrument were then coded. The tabulated data were treated with the use of statistical tools like weighted mean and Likert’s Scale for determining the status and level of effectiveness of Training and Development Program. An SPSS program was also used to aid the researcher in computing the raw data into statistically processed and usable information for research interpretation.

To determine whether there was a significant difference in the perceptions between the two groups of respondents, the researcher used the Wilcoxon signed-rank test. The Wilcoxon signed-rank test is a non-parametric statistical hypothesis test for the case of two related samples or repeated measurements on a single sample. It can be used as an alternative to the paired Students t-test when the population cannot be assumed to be normally distributed. The test is named after Frank Wilcoxon (1892–1965) who proposed it, together with the rank-sum test for two independent samples (Wilcoxon, 1945)

III. PRIOR APPROACH

Garavan et al (2003) viewed training and development in terms of three separate but interrelated activities: training, education, and development. Training is the activity that focuses on and evaluated against a job that an individual currently holds. Education is an activity that focuses on jobs that an individual may hold in the future and is evaluated against those jobs. Development is the activity that focuses on the activities that the organization employing the individual, and the individual himself or herself, may do in the future and is almost impossible to evaluate [19]. Tayeb (1997) mentioned some implications of Islamic values to an organization’s workforce management in Muslim countries. He argued that there is different manifestation of Islamic values in Muslim countries. Bahar (2006) postulated that Training and Development in Bahrain is influenced by national culture on decision-making behavior of training managers. He further explained that T&D in Bahrain is measured by two scales. The first is organizational rationale which reflects the extent to which training decision-making stems from organizational needs. The second is social rationale which reflects the extent to which training decision-making stems from the norms of Arabic culture. [10] The theoretical framework of the study is shown in Figure 1. Basically, the various concepts purporting to Training and Development function of Human Resource Management and Development. The conceptual framework of the study is shown in figure 2 below. Consisting of input, process, and output, it frames the specific problems and comes up with an output on the employees training and development support. The Output of the study is a proposed Strategic Plan to enhance the Training and Development Program activities of the company to further improve employee performance. A feedback mechanism which will be regularly or periodically updated, serves to let the administrators and the employees become aware of the results of the study.
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Raymond A. Noe (2001) pointed out in his book "Employee Training and Development" that the goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs, and apply them to their day-to-day activities. One of the goals of human resource development programs is to help an organization adjust to the present competitive trends of the market. Important stakeholders include stockholders, who want a return on their investment; customer, who want a high-quality product or service; and employees, who desire interesting work and reasonable compensation for their services [7]. Training, as defined in the present study “is the planned intervention that is designed to enhance the determinants of individual job performance” Chiaburu & Teklab, (2005) Training is related to the skills an employee must acquire to improve the probability of achieving the organization’s overall business and academic goals and objectives [3]. Positive training offered to employees may assist with reduction of anxiety or frustration, which most employees have experienced on more than one occasion during their employment careers Cheng & Ho, (2001) [3]. Noe, et al (2003), emphasized three competitive challenges that companies will face in the next decade: (1) global challenge, (2) meeting stakeholders’ needs, and (3) the high-performance work system challenge. These challenges shall increase the importance of Human Resource Management and Development practices, especially Training and Development. Bartlett (2001) suggested that it would be more productive to research the relationship between training and more proximal outcomes than organizational performance. The author suggests, for instance, examining the link between training and desired
employee attitudes (such as organizational commitment) which are in turn considered to impact organizational performance [1].

**TRAINING DESIGN.** High-level personnel and employees must continuously adapt to changes in ever-shorter cycles and both individual and collective knowledge change permanently (Sonntag, 2002). It is without any doubt that leadership training and coaching are important parts of human resource development. From medium-sized businesses to international companies (profit or non-profit), almost all offer a human resource development program addressing leaders and leadership skills [9]. Heathfield (2010) opined that one key factor in employee motivation and retention is the opportunity that could make employees want to continue to grow and develop job and career enhancing skills. In fact, this opportunity is one of the most important factors in employee motivation [8].

**SUPPORT STAFF AND FACILITIES.** Hellriegel et al.,(2001) states that training of employees in organization increases higher productivity through better job performance, more efficient use of human resources, goals and objectives more effectively met, reduced cost due to less labor turnover, reduced errors, reduced accidents and absenteeism, more capable, and mobile workforce and retention of the existing staff. [5]

**TRAINING EVALUATION.** Evaluation is where the learning occurs, questioned answered, recommendations made, and improvement suggested Ivancevich, (2006) [12]. Training and development encompasses three main activities: training, education, and development. Garavan, Costine, and Heraty, (2003) of the Irish Institute of Training and Development note that these ideas are often considered to be synonymous. However, to practitioners, they encompass three separate, although interrelated activities. Training as an activity both focused upon and evaluated against the job that an individual currently holds [18].

**STATUS AND EFFECTIVENESS OF TRAINING AND DEVELOPMENT PROGRAM.** Development is earning for growth of the individual, but not related to specific present or future job. Unlike training and education, which can be completely evaluated, development cannot always be fully evaluated. This does not mean that we should abandon development programs, as helping people to grow and develop is what keeps an organization in the cutting edge of competitive environments. Development can be considered the forefront of what many now call the Learning Organization (http://www.bls.gov/oco/ocos021.htm).

**TRAINING IMPLEMENTATION.** Idhammar (2010) expressed that classroom reliability training followed by practical experience could end money being wasted on maintenance courses and seminars that workers quickly forget. It may be a good idea to economically justify all training seminars that are given in a plant. There is not much point in holding a reliability training seminar if it isn't for eventual economical gain [21]. The reliability training must have a purpose that should be decided before the training starts and should never be performed unless there is a plan to implement the lessons learnt. Once the training is finished, management should check that the implementation plan is being followed (www.idcon.com/article-train.htm).

**TRAINING NEEDS ASSESSMENT.** Aside from costs and other commitment details of the organization, proficiency outlook of the providers and the receivers of training activities are necessary. This was found out by Rotor (2004) who evaluated the ICT competence and training needs of faculty and administrators of the University of Baguio, Philippines. The level of ICT knowledge, extent of ICT use, degree of attitude of faculty and administrators towards ICT use, and ICT training needs were determined [11].

**TRAINING DESIGN.** Research is not restricted to the use of survey-questionnaire, interview, and focus group discussions. It can utilize various options like implementation of a program or a project. The Hanoi National University in Vietnam conducted a study by way of designing and establishing two new human resource development projects to improve the skills of workers and students. The projects’ established an aim to train gifted students in the areas of management, technology and business.

**TRAINING IMPLEMENTATION.** Along this line Total Quality Management is a factor for an improved product or service. A study conducted by Juliana S. Manuj’s (2004) on training and development examined the applicability of Total Quality Management. TQM is a way of achieving and maintaining excellence used in establishment of organization. Many organizations in the United States, such as IBM and Ford Motor Company; in Great Britain such as the Department of Trade and Industry and South Bank University; and also in Japan such as Toyota Motor Co. Ltd. and Fuji Photo Optical Co. Ltd. all successfully adopted TQM. As a result, it makes economic sense for all Ghanaian firms to adopt TQM. [13]

**TRAINING EVALUATION.** Natividad (2006) conducted a study on assessment management of intercollegiate sports program of Trinity University of Asia. According to the overall mean scores in the area of training program, the athletes, coaches, and physical education teachers evaluated it as fully managed, fully managed, and managed respectively. Based on the overall mean scores, the sports facilities are assessed as managed by the three groups of respondents and which means that there is no significant difference in their assessment [17].

**Studies**

In the study of Sarika (2008) which dealt with the recruitment practices of Al Hamer Trading Est. in the Kingdom of Bahrain, a recommendation was provided that the organization should work towards internal promotions and succession planning [18]. The emphasis of Manuj (2004) is in the importance of training and development in examining the applicability of Total Quality Management.
It differs from this study’s focal point: the assessment of Training and Development. Tayeb (1997) the study was about the effectiveness of job rotation as part of Human Resource Management function. The author found out that the effectiveness of job rotation can be measured on employee learning, motivation, teamwork, and productivity [16]. Garden-Webster, Wereta, 2004 discuss the manner how training and development activity is conducted, that is either through consultants or via Intranet/Internet portals. The process influences employee-trainees. The said literature has bearing with the present study for it also dealt with the different process of training and development. Several HRM practitioners shared their views on the need of employees’ potent competencies. Noe (2000) expressed that the ideal way of learning the job is through training. Ivancevich, 2006 literature discussed above provides the concept of monitoring and evaluation. They also dealt with the uses and requirements of a good monitoring activity and program. It is related to the present study for the same is one of the variables of the endeavor.

[12]

IV. OUR APPROACH

Status of Training and Development (T&D) programs of the Company

Training Needs Assessment The administrators’ perception suggested that the TNA-implementers knew what they were doing and what they wanted to achieve. From the accomplished tool, the administrators were made aware of the employees’ specific knowledge or skills possessed to perform their duties and functions effectively.

Some employees could have developed their “comfort zone” in their respective work place (Lennick and Kiel, 2008). The organization can easily determine the program’s fitness according to the desired outcome, if properly crafted [14].

Distribution according to Training Design. Based on the data presented, it appeared that both the administrators and employees-respondents had settled of the activities in Training Design aspect of the Training and Development Program of the company.

Distribution according to Training Implementation. Based on the data presented, this aspect of the Training and Development program was deemed to be implemented (3.59, agree) by the administrator-respondents. This characteristic requires that the trainer should be able to cater to all kinds and level of participants.

Distribution according to Support Staff. The administrators agreed that the status of the “support staff and facilities” of the program was functioning (3.50, agree) the finding from the employee could be interpreted that perhaps the employees perception of support staff to be always present at their side tutoring them. Everybody in the company with whom the employee (new entrant or otherwise) will get in contact with and knowledgeable of the job or the new technique of doing the job has something to do in the task of making him one of them.

Distribution according to Facilities. Where people have some influence over how they do their job, and where they find their job demanding and challenging, they are much more likely to have job satisfaction, be motivated and be more committed to the organisation in the sense of wanting to stay. On this matter, the perception of the administrator-respondents was done to a great extent with the highest mean of (3.71, Agree).

Distribution according to Training Evaluation. On this aspect the administrator-respondents treated them as important act and perhaps it is the reason why they perceived that the conducts of evaluation to be functioning in utmost state with the highest mean of (3.89, Agree). Although the employee-respondents perceived that informing the participants of the evaluation results was somewhat done with the highest mean of (3.40, Undecided), it seemed that almost half of them conceded that the same activity had been done.

Level of Effectiveness of Training and Development Program in terms of Training Needs Assessment. Based on the data presented, the perception of the administrators and employees-respondents on the level of effectiveness of training needs assessment implemented was, in general, fairly effective (3.41 and 3.17). The finding provides that almost all of the given activities done and contributed reasonable improvement only on the job performance of the employees. It can be construed that the TNA is the initial activity in any given training and development program.

Level of Effectiveness of Training and Development Program in terms of Training Design. Most trainers hope to provide useful interpretations seasoned with a lot of practical experience. These things must be covered in the design. However, innovation should not be ignored. Perhaps this is the reason why the training and development particularly its design was fairly effective. Many participants especially the senior ones prefer innovative training strategies that give them new ideas and techniques how to do work efficiently. In this regards, the administrators placed the practice of simulating technique to be effective with a highest mean of (3.73, effective).

Level of Effectiveness of Training and Development Program in terms of Training Implementation. The training administrator opened that the Training and Development program activity-indicator implemented by the company had contributed to the exceptional change of employees’ job performance, attitude and efficiency (3.59, effective). However, the recipients perceived that the various implementations of the training activities are provided reasonable effects (3.55, effective) to them. This means that the employees felt the great impact of the training implementation and relevance to their work. Wardale, (2009) the business environment of today is volatile. Change management (or change control) is the process during which the changes of a system are implemented in a controlled manner by following a pre-
defined framework/model with, to some extent, reasonable modifications. [4]

STRATEGIC PLAN FOR TRAINING AND DEVELOPMENT (SPTD) TO ADDRESS THE PROBLEMS

Training and development aspect is a major component of the said program. The strategic plan is the link between strategic thinking and analysis – strategy formulation – the action or implementation that will be necessary to carry out the strategy. All areas of activities along training needs assessment, training design, training implementation, support staff and facilities and training evaluation should be monitored throughout since they are carried out at all levels within the service provisions by program team, and sub teams (support staff). The strategic management process ensures that risks due to perceived problems and weaknesses are mitigated at the appropriate level and communicated as appropriate. The goal of Strategic Plan for Training and Development Management and Operations is to proactively identify and address problems and perceived weaknesses early in the pre-implementation and throughout the implementation of service provisions to avoid surprises.

V. CONCLUSION

The status of Training Needs Assessment, Training Implementation, Support staff, and Training Evaluation activities Training Needs Assessment, Training Implementation, Support staff, and Training Evaluation activities of the Training and Development Program were done of significant manner and extent; and with moderate significance and extent along Training Design and Facilities as perceived by the administrators. However, the employees perceived the status of the same program activities to be with moderate significance.

The level of effectiveness of the Training Implementation, and Training Evaluation activities under the Training and Development Program are contributed improvement in the employees’ knowledge and skills to perform their current jobs, or prepare them for another job or develop their attitude towards work in the organization’s environment as perceived by the administrators. However, the level of effectiveness of Training Needs Assessment, Training Design, Support Staff, and Facilities provided reasonable improvement only either on the employees' knowledge and skills to perform their current jobs or prepare them for another job or develop their attitude towards work in the organization’s environment.

There is no significant difference on the perceptions of the administrators and employee on the status of the training and development program activities in terms of Training and Development, Training Design, Training Implementation, Support Staff, Facilities, and Training Evaluation.

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