

The Effect of Training and Developing Employees on the Performance of an Organisation

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Abstract: Training and developing programs are seen in organisations as means of increasing the relevance of the organisation solely by elevation of employee effectiveness. Human capital is valuable to an organisation. Employees are the mitochondria of an organisation as it is through them that the organisation's goals are realised. Therefore, offering training and development activities is becoming a vital venture for organisations. Training and development of employees requires a commitment of resources, often in the form of time and money. This being the case, there exists a risk that the results of the training and development would not be worth the financial cost. There is also a risk that the training and development would not translate into improved organisational performance, therefore it could simply be considered a waste of time.

It was deemed necessary to investigate the impact that training and developing employees has on the performance of an organisation, the types of training, and challenges associated with training and development programs that employees or management may face.

Training and development programs are a worthwhile investment. The results both long term and short term reveal that they stimulate motivation and job satisfaction in employees which in turn leads to high employee productivity and overall an increase in the organisation's financial returns.

Keywords: Training and developing programs, employee productivity, organisation's goals, organisation's financial returns.

1. INTRODUCTION

Employees play a vital role in the realisation of organisation goals. This is mostly because employee actions and attitudes affect the quality of work they execute while carrying out their assigned tasks. Early management theorists like Fredrick Taylor Winslow discovered that training employees on how to carry out tasks they would be assigned led to an increase in job efficiency (Cole, 2004).

Training basically refers to teaching employees, giving them the skills they will need to carry out tasks (Mullins, 2010). Training offered to employees by management may focus on areas such as: basic skills, technical skills, interpersonal skills and problem solving skills. On the other hand, regardless of the training one receives by virtue of being affiliated to an organisation, management may offer development programs to employees that will be taking up a higher role (Tahir, et.al, 2014). Development is therefore concerned with equipping employees for a more advanced position (Mullins, 2014).

In recent years, modern management has emphasised the importance of training and development. These tasks have henceforth been incorporated in the tasks or activities of human resource managers. The objective is to get employees to work according to the organisation's required standards. It is believed that employees that undergo training or development will be more effective and efficient in an organisation. Organisations constantly evaluate their activities in order to increase the organisation's performance. The performance is evaluated in terms of effectiveness or efficiency.

Training can be defined as an activity that results in an individual acquiring the needed knowledge or skills to carry out tasks (Robbins & Judge, 2013). On the other hand, development comprises of advancing one's skills to improve performance. The methodical cycle of gauging the output of employees in an organisation is referred to as performance evaluation (Robbins & Judge, 2013).

According to Mullins (2010), globalisation, the ever-changing scene of the organisations environment, and advancements in technology have contributed to the growing pressure on organisations to offer training and development activities more frequently. The relevance of the organisation solely lies on the effectiveness of its employees. It has been discovered that graduate students lack the basic skills to carry out tasks in an organisation. This has led to an increase in the gap between the employer's demand for skill and the available skills on the market (Galagan, 2010). Human capital is valuable to an organisation. Employees are the mitochondria of an organisation as it is through them that the organisations goals are realised. Therefore, offering training and development activities is becoming a vital venture for organisations.

Types of training

Training encompasses a wide range of activities whose main objective is to teach. There are five main categories of training that organisations usually offer to their employees. These include: basic, technical, interpersonal, problem-solving and ethical skills training. Basic skills encompass skills such as reading, writing, comprehension and mathematics. These skills are usually taught to employees that lack advanced education. Ethical skills equip employees with values of an organisation they have to emulate. Interpersonal skills are umbrella skills such as listening, team building and communicating. Employees need interpersonal skills as they interact with other employees in an organisation (Robbins & Judge, 2013).

Technical skill umbrellas upgrading the employees' technicality. Due to technological advancement, there is a need for employees to regularly learn new technical skills that can elevate and equip them so that they can compete with other organisations (Robbins & Judge, 2013). On the other hand, problem solving skills aim to sharpen logic, reasoning, and problem solution assessment. These skills are vital for employees seeking management offices (Robbins & Judge, 2013).

Methods of training

Training in management was intended to be imparted formally. However, over the years informal training has also been implemented and has proved to be as effective as formal training (Robbins & Judge, 2013). Formal training is usually carried out in the form of on-job training. On-job training consists of methods such as job rotation, apprenticeship, formal monitoring programs and assistance with understanding the assignment (Robbins & Judge, 2013). On-job training usually takes up a lot of time and resources and sometimes disrupts the flow of organisational activities. On the other hand, informal training is considered to be cheaper, takes less time and does not disrupt the work flow. Informal training can come as off job training that is administered through various platforms including eLearning platforms. Sometimes informal training occurs through employees' interactions in an organisation (Dobbs, 2000).

Challenges of training

Like all activities dealing with human behaviour, training and developing employees is not quantified easily. Dillulio and Cigularov (2020) attributed this aspect to the biases of supervisors or trainers. Their study suggests that the trainers have a tendency of highly grading the methods and type of training implemented by an organisation compared to the sentiments that trainees have towards the training they undergo. This makes it hard to measure the success of a training or development program. A researcher must therefore thoroughly investigate how both parties view the training and development programs.

The quality of training and development is influenced by the organisation's structure and organisational culture (Stuart, 2019). Organisations that have a bad culture will definitely pass the traits on to new recruits. (Ahmed & Sayed, 2020). The organisation's environment impacts the quality of training and development being imparted on trainees (Sulaiman, Ahmed, & Shabbir, 2020). These behaviours are learnt through interactions since a huge part of work is characterised by interactions with fellow employees.

Elements of effective training and development

Effective training and development begins with well-established training programs. Such training programs are designed in a way that promotes flexibility and adaptation to the business environment (Noe, Hollenbeck, Gerhart, & Wright, 2008). Mathis and Jackson (2011) suggest that learning the behaviours of employees and strategizing how instructions are given and perceived is fundamental in providing employees with development or training activities.

After setting a proper training program, organisations need to carefully select personnel that will spearhead the training and development of employees. Trainers must have an advanced understanding of the knowledge being imparted. Cigularavo and Dillulio (2020) emphasise the relationship between knowledgeable trainers and effective training and development.

The training and development programs' success can only be known by regularly assessing the programs. Management can do so by setting outcome goals, monitoring the training development programs and encouraging employees to fill up training and development assessment forms or surveys. Employee motivation is a determinant factor of successful training and development. At the end of the training programs employee motivation levels need to be elevated, fuelled to pursue new tasks given to them. Ishak and Mansor (2019) recommend refreshing employees' knowledge after training and development programs. This way the effects of the program will be re-stimulated and have long lasting benefits on both the employer and employees.

Effects of training and development on organisational performance

Mullins (2010) advocated that proper training and development of employees is beneficial to an organisation because of the impact it exerts on employees such as increase in employee motivation and job satisfaction levels. Furthermore, training and development of employees increases the quality of the employees' skills (Mullins, 2010). Improving the knowledge and skills of employees leads to an increase in confidence of employees to carry out tasks, and high motivation levels as employees are equipped efficiently to be part of the organisation. They have a sense of belonging and are recognised for their work input.

Habibu (2020) conducted a study on the effects of training and developing employees on the performance of employees. The study was conducted in Tanzania and focused on CRDB Bank Plc, a commercial bank that is currently operating in East Africa. The findings of this study were that most banks in Tanzania had closed down due to poor performance of employees. This exposes how horrid the effects of not training employees can be on an organisation. The aim of the study was to identify the areas of training that affect employee output. The findings of this study linked training activities to improved employee performance. There was a 23 percent increase in the performance of employees as a result of training.

In another study on the impact of training and development on the performance of employees, Appiah (2010) focused on HFC (Housing Finance Company) Bank. This quantitative case study was carried out in Ghana, West Africa. The aim of this study was to identify, evaluate and discover the types of training and developing activities put in place by HFC Bank as well as their impact on the performance of the organisation. The findings of this study identified a training program that all new recruits undergo by virtue of joining the HFC family. The effectiveness of this training program was measured by observing the constant increase in organisational profits and income.

Thang, Buyens and Thu (2009) and Muis et. al (2021) conducted a study on the relationship between training and the performance of the firm. This study reviewed various literature on articles relating to training of employees and the organisation's overall performance. The findings of this study suggest that firms with general training programs do not fair quite as well as firms that offer training in specific technical areas. The specific trainings in turn have a positive impact on the organisation's performance, seeing employees are given tools and mind-set to efficiently carry out their allocated tasks.

Das and Baruah (2013), identified training and developing as a venture that promotes employee retention in an organisation. The findings of this study suggest that employees will stick to an organisation if they know or perceive how work is allocated in the organisation. Further, the confidence employees have in their capability to carry out tasks contributes to the degree of employee retention the organisation enjoys (Fuchs et. al, 2020). The study focuses on the effects of neglecting training, such as high employee turnover and job dissatisfaction. The absence of training and development activities does not only affect the employees; the effects affect the entire organisation, including its environment and outcomes.

Bishop (1994) conducted a study that reviews related literature on the benefits of employer-provided training in an organisation. The findings of this study connect on-job training to high employee productivity. The study further suggests that employees must be technically equipped to carry out tasks. Employees that have the right training have less chances of leaving the organisation. The company therefore benefits itself when it trains its employees (Paula & Ferreira, 2020). Employees must be supervised and management needs to constantly provide supporting and training programs for both the employees and the employers on the virtual learning and working platforms (Hamouche, 2020). An obvious outcome of providing training to employees is that the organisation experiences low employee turnover.

In another study, Khan, Abbasi, Waseem, Ayaz and Iyaz (2016) investigated the relationship between training and developing activities, job satisfaction, and employee performance. The study was centred on the telecom sector in Pakistan. The findings of this study suggest that job satisfaction is achieved through training and developing employees. According to Osunde (2015), employees that are satisfied with their tasks and environment will perform better than those not satisfied. The performance of the employees was measured through employee productivity, absenteeism, and employee satisfaction (Khan et. al, 2016).

Shakila (2014) extensively reviewed various literature on training and development to investigate the factors conducive for training and developing, as well as the performance outcomes. The findings of this study suggest that high performance based on training and developing activities is highly dependent on factors such as expert trainers, training materials and proper training programs. Therefore, management plays a huge role in determining the effectiveness of the training and development activities being provided by the organisation.

The previous review highlighted that trainers have a major impact on the training and developing activities outcome. However, Vijaybanu and Amudhla (2012) argue that the impact of training and developing employees depends on the capability of the participating employees. The study therefore focused and placed much emphasis on pre-training activities such as selection processes and planning the execution of the training and development activity. The study suggested that effective training and developing activities must be tailored to suit the goals and identities of trainees.

Jasson and Govendor (2017) set down the financial returns training has on an organisation. The objective of this study was to examine training evaluation models. The research tackled this phenomenon by identifying theories that can be used to evaluate the impact training and development has on an organisation. The model adopted was the Kirkpatrick-Phillips training evaluation model. A model that stipulates six steps in evaluating the outcome of a training activity and specifies the measurement dynamics of each step.

Farooq and Khan (2011) sought to investigate the impact of training and feedback on employee performance. Their study stresses that feedback is essential in an organisation training process as it improves the process of employee evaluation. Management will be made aware of the employees' competency with training and developing programs through employee feedback (Anwar & Abdullah, 2021) (Abdulla, 2019).

2. CONCEPTUAL FRAMEWORK

Figure 1.1 below is an illustration of the conceptual framework which depicts the effect of training and developing employees on the performance of an organisation.

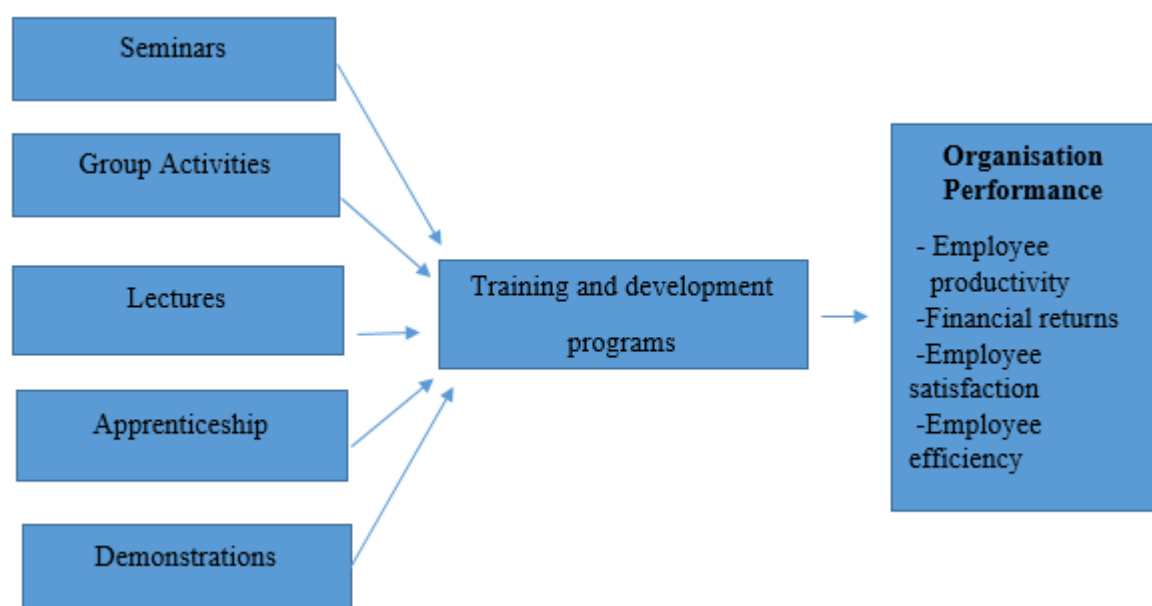


Figure 1.1 Conceptual framework

The framework above depicts the effects of employee training and developing activities on an organisation. The diagram above helps with explaining the relationship that exist between employees, training and development activities and the organisation's overall performance. The forethought is that when employees in an organisation undergo on-job training or development activities, the results as seen in the diagram above are increased job performance, productivity, reduced absenteeism and job satisfaction. Overall, the organisation will enjoy a conducive work environment, an increase in performance and high financial returns as a result.

3. CONCLUSION

This article has shown that a number of studies have been conducted focusing on the impact of training and development of employees on their performance, and has established a clear direct relationship between the two. Further, empirical evidence indicates that in recent years, there has been increased attention focusing on evaluation methods of organisational performance. An increasing number of studies have focused on the participation of employees in the performance participation cycle, through employee feedbacks.

Ultimately, it has been discovered that training and development activities do translate into increased financial returns, as customers are served better and satisfied with the service offerings of a trained workforce.

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