

Training and its Impact on Employee Performance: Study of Mercy Corps Kabul

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ABSTRACT

Employee is the real asset of an organization. The growth and decline of an organization depends on the performance its workforce. Hence, a study is carried out in Mercy Corps Kabul to examine different types of training and their impact on the performance of employees. The results of the study showed that employee performance depends on over all training provided in an organization. Further, results shows that on job training shows significant superior effect on employee performance. Based on the identified results few recommendations were also discussed.

Keywords: Employee performance, On-job training and Off-job training.

INTRODUCTION:

Training:

Training can bring several advantages and benefits, which includes the improvement of job satisfaction, commitment and empowerment among the employees of an organization (Sung and Choi, 2014). New and modern learning theories, techniques and methods could be consider as the important factors of the trainings. The attraction and attention of the employees during the training sessions may improve the quality of trainings; this indicates that proper training methods are used and it is the sign of successful training (Teck-Hua and Catherine, 2015). Training and Development is designed and conducted with the main objectives of employees performance for their current jobs at the best possible extent; meanwhile, the training and development prepare and aware the employees about the modern technology and at the same time build their capacities to overcome with the tasks for the upcoming activities (Imran et al., 2014).

The term training could be define in various ways; it might be define as a systematic development of the knowledge, skills and behavior which are essential for the employees to perform the allocated tasks properly (Shaheen et al., 2013). In another way, it could be define as simply learning provided to the employees in order to perform better in their current jobs (Amin et al., 2013). Similarly, training is a program provided to employees in order to increase their information, build new skills or create better professional knowledge among them. This could be provided to the employees in different ways i.e. on the job or off the job, inside or outside the organization; regardless of the views, training can build new knowledge and skills among the employees that will enable them to manage the current and future situations (Elnaga and Imran, 2013). Whenever the business environment is rapidly changing then there is a need of lifelong learning to cope with the challenges. As the business environment is changing time to time, therefore there is always a need for updating the skills and capabilities of the employees; these upgrading will improve the performance, growth and abilities of the employees in the rapidly changing environment, where the organization will remain

competitive (Amin et al., 2013). Similarly, in another study at Mumias Sugar Company, the focus was to show effect of training dimensions on the employee performance; the result of the study concluded that there was a positive and significant relationship between the training and employee performance at Mumias Sugar Company Limited (Otuko et al., 2013).

In the recent years, more focus is given to the importance of training for the employees because it could play a vital role in the competition and has a direct relation towards the employee development and success of the organization. Training can assure that the employees are technically and socially competent and capable for different position and departments; therefore, it is always a need for the continual capacity building of the employees and training can play an important role in this regard (Sultana et al., 2012). Training could have direct or indirect effect on both the employees and the organization. The training programs have direct relation between the capabilities of the employees and organizations because whenever the organization is investing on the employees' capabilities to increase their knowledge and skills then in return the organization owes potential workforce. While indirectly, they enable the employees to be ready to handle the current and future issues. Meanwhile, the training builds the motivation and commitment level among the employees and the employees consider this as an appreciation from the organization; in return, they will work hard and will proud to be the part of such an organization. The conducted study aimed to investigate about the relationship among the effectiveness of training on the employees' job satisfaction, motivation and commitment in five large Greek Organizations. The study concluded that there is a significant correlation between the employees training and their job satisfaction, commitment and motivation and higher degree of correlation found among the last three variables (Sahinidis and Bouris, 2008).

Performance:

If the desire is to get best performance from the employees then they are required to be provided with the effective training programs to build their knowledge, skills and abilities to perform well that may also effect on their motivation and commitment level (Elnaga and Imran, 2013). In order to boost up the employee's potential to perform their task as desired then the organization is required to provide the relevant trainings to the employees. In the long term planning the majority of the organization are considering the capacity building and training of the employees as priority because these trainings will enable the employees to cope with the uncertain conditions that they may face in the future. Thus, the employees will observe that the organization is paying attention towards them and building their skills and capacities; from one angle, this will motivate the employees and will increase their commitment and from the other angle it will increase the performance of the employees which will have a direct relation to achieve the organizational goals. Finally, this could be concluding that training is crucial to build elastic, motivated and committed workforce towards the goals of the organization (Amin et al., 2013). The most precious assets of a company are the human resources or the employees; they have the potential to build the company or destroy and their acts can affect the profitability of a company (Elnaga and Imran, 2013). The performance of the employees are effected by different factor like company's overall policies, working conditions, opportunities of training and development, the relationship of employees and employer etc. (Aktar et al., 2012). Whenever, the micro and macro levels of economics is concerned; after the schooling the entry of the human resource in the labor market plays a vital role in the economic development (Pfeifer et al., 2011).

The quality of human resources plays a vital and significant role in the failure or success of an organization; obviously, the success and failure of the organization may affect the economic development of the countries. It is clear that the significant economic development in the countries like Japan, Britain and United States of America is because of its extensive and professional human resource that they owe. These achievements are possible to get in a country like Zimbabwe but a proper attention is required for the development and training of the human resources at the country level (Bernstein, 2008). The productivity of an employee depends on the amount of time an individual is giving to the organization for the performance of a job with his/her physical presence and it also relies on the mentally presence of an employee to perform the job more effectively. Both of the issues are important for the firms to consider for the better productivity of its employees and there are number of strategies that focus on the employee satisfaction, health and morale (Ron and Ronald, 2002).

LITERATURE REVIEW:

Ramya (2016), conducted a study to find out effect of training on employee performance at Mangalore pipe industry. Structured questionnaires developed for the collection of primary data and 22 employees of this industry were selected on random basis with different educational backgrounds. The secondary data was also

used in this study and this data was taken from the websites and books. This study concluded that the training plays a vital role and it can bring positive changes in the knowledge, skills and attitude of the employees, which obviously has a positive relation with the job performance. In this concern, Khan et al. (2016), tried to identify impact of training and development of employees on the employee performance through job satisfaction in the telecom sector of Pakistan. In this study, the focus was on the two crucial components for the employees' performance, which were the training and development of employees and job satisfactions of them. Questionnaires were developed and distributed among 115 employees of telecom companies whom were selected on the convenience sampling technique in Haripur, Abbottabad and Mansehra; where 105 responded returned back the questionnaires and the response rate was about 91%. The result of this study showed the positive impact of training and development and job satisfaction on the performance of employees. Similarly, it is recommended that training and development will increase the job satisfaction level and ultimately it will have a positive effect on the performance of employees. Also, Kulkarni (2013), mentioned that training is the nerve that fulfill the needs of performing, increase the quality of work life for employees, and will have a positive effect on the development of the organization. According to this study, quality of work life is a process, where the organization understands about its responsibilities and its performance is excellent. Thus, this paper focused on the findings of other researches and showed the importance of the relations between training and development of employees and quality of work life. Further, Asad and Mahfod (2015), find out the effect of training and development on the employee performance at Agility Company in Kingdom of Bahrain and effect of training on the achievements of the organizational goals. In this concern, 60 employees were selected on random sampling technique and questionnaires were distributed among them but only 37 respondents replied to the questionnaires. Cronbach's alpha coefficient used for the data analysis and the result concluded that there is a direct and positive relationship of training and development on the employees' performance. Meanwhile, it is important to mention that in the recommendation to the top management it is suggested to focus more on the training strategies based on the company's overall strategy and to consider the diversification of training programs by using the modern technology to improve the performance of employees. Sohail et al. (2014), tried to identify impact of training and development on the employee performance from different banking sector of North Punjab. For this purpose, a survey was conducted and data was collected from 100 employees of 11 banks located in the North Punjab. The data was collected through questionnaires and was analyzed by using Regression. On Job Training and Delivery Style are the two determinants of Employee training and development; finally, the result showed a significant positive relation between employee training and development and employees performance.

Problem Statement:

Organizations are always keen to see better performance of the employees at different levels; if the employees are performing well then the organizations can reach the goals and objectives. Obviously, if the employees of an organization possess skills, knowledge and competencies to perform the assigned activities properly then the organization or company might reach its goals and objectives. Sometimes, there are employees who are having the required skills, knowledge and competencies for performing the tasks but mostly the organizations or companies are required to build these factors in the employees through trainings. Sometimes, the employees of the organization are planning for their career development in the long-run but building the capacities of the employees in order to properly perform their duties could be the responsibility of the organization. The organization can provide the trainings to its employees in two ways, the first option could be on-the job training and the second could be off-the job training. Both training methods will bear cost for the organization but if there is a proper cost analysis then the benefits of these costs will be more for the organization. Job rotation, coaching and counseling are the best techniques for on-the job trainings while regular short-term courses for the capacity building of the employees could be considered the best way for off-the job trainings. If the organization is focusing to empower its employees and develop their skills, knowledge and competencies, it will have a positive impact on the performance of the employees. Finally, it is to mention that the focus of this study is to show the relationship between the training and the employee performance.

OBJECTIVE OF THE STUDY:

Following are the objectives selected based on the above problem statement which will help me carry on this study.

List of Objectives:

1. To know the impact of on-the job and off-the job training on employee performance.

Hypotheses:

To workout the objectives framed for the study, the following Hypotheses were prepared for testing.

Hypothesis:

H1: There is no impact of on-the job and off-the job training on employee performance.

HYPOTHESIS RELATED TO OBJECTIVES:

Following are the details of the hypotheses corresponding to each objective taken for this study.

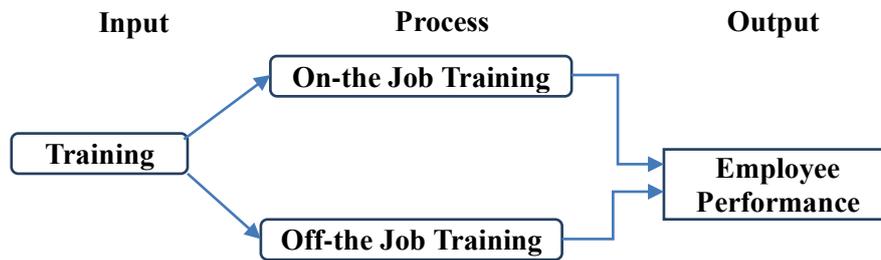
Objectives Hypothesis

Objective-1 H1

CONCEPTUAL FRAMEWORK:

Figure-1 shows the conceptual framework of this study which indicates the relationship between different factors involved in this study. A comprehensive picture including the analysis of the factors involved in this figures is taken in consideration in chapter four but this figure shows a summary of relations between the dependent and independents factors of this study which is as follows:

Figure-1: Diagrammatic representation of Conceptual framework



Details of Research Design:

The blue print for implementing this research work is prepared considering the nature of the problem identified and succeeding objectives taken up for the work. Hence, a descriptive research design with a questionnaire for the primary data collection is employed in this work following the standard guidelines.

The current study is to find out effect of training on the performance of employees during the working hours and beyond the official hours. More specifically, the focus of this study is to find how on-the job trainings such as job rotation, coaching and counseling and off-the job trainings such as short-term courses for the capacity building will effect on the performance of the employees. Hence, a descriptive research design was followed in the present work and survey was conducted among employees of Mercy Corps for the purpose of collecting primary data constituting the present work.

Instrument used for primary data collection:

In order to conduct this study, a survey instrument used to collect the primary data. A well-structured and standardized questionnaire is used as survey instrument in order to conduct this study. This questionnaire is used to collect the primary data and information from the employees of Mercy Corps Afghanistan. Immediately after the design, this instrument was tested and proved the reliability.

Pre-testing:

Pilot test of the survey questionnaire conducted in order to get the initial assessment about the validity of this instrument. The questionnaires were distributed among 10 employees for the pilot test in order to collect the primary data; the results of the pilot study proved the internal reliability of the questionnaire and therefore this questionnaire was used throughout the study for the collection of the primary data from the employees of the organization.

Survey Instrument Reliability:

Appropriate reliability analysis consists of computed value of Cronbach alphas was conducted on the survey instrument and the result of alpha value for all the variables of the study was found to be well above the suggested value of 0.6 (Nunnally, 1978). The specific, details of alpha value for each of the study variable

constituting the present work is shown in the Table-1.

Table 1: Details of the Measurement Scales with Corresponding Reliability values

| SN | Details of the Scale | Cronbach Alpha |
|----|----------------------|----------------|
| 1. | On-the job training | 0.844 |
| 2. | Off-the job training | 0.917 |
| 3. | Performance | 0.810 |

Sampling Details:

The studies conducted in the field of social sciences are not necessarily depending on the big number of samples like 1000 or 2000 respondents, where the sample between 30 and 250 would be enough for the analysis (Martyn, 1999). For testing the hypothesis, validated survey instrument in the form of questionnaire is used to collect the data from the Mercy Corps employees for this study; meanwhile, to address the research objectives 50 questionnaires were distributed among them. For the purpose of analyses of the data collected the respondents who did not respond to all questions or for whom there was a suspicion of random response such as use of the identical answer throughout is excluded. A total of 45 respondents met the set criteria and thus constitute the sample size of the current study.

Since, the respondents for this survey could be everyone at the organizational level, therefore random sampling technique were adopted so that every employee of the organization has the chance to participate as a sample in this study and provide the relevant data regarding effect of training on the performance.

RESULTS AND DISCUSSIONS:

Dependency of employee performance on Training:

From the results of table-2, it can be inferred that the value of F 25.779 is found to be significant at 5 percent level; hence, the hypothesis-1 is rejected. These results suggest that employee performance depends on the training provided to them; these trainings could be on the job or off the job. Further, the adjusted R square value of 0.624 from the table-2 indicates that 62 percent of employee performance among employees of Mercy Corps significantly depends on these types of trainings. Also the ‘t’ value of 5.597 corresponding to on the job training is found to be having significant effects on the model conceived.

Table 2: Result of regression for hypothesis-1

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | F | Adjusted R square | Sig | |
|-------|-----------------------------|------------|---------------------------|-------|-------|-------|-------------------|-------|-------|
| | B | Std. Error | Beta | | | | | | |
| 1 | (Constant) | 8.607 | 2.327 | | 3.699 | 0.001 | 25.779 | 0.624 | 0.000 |
| | ON -JOB | 0.595 | 0.106 | 0.729 | 5.597 | 0.000 | | | |
| | OFF-JOB | 0.041 | 0.107 | 0.050 | 0.384 | 0.703 | | | |

Source: Primary Data

More specifically on job training provided to the employees is found to be having significant superior effect on their performance with highest ‘t’ value of 5.597. This confirms that On-the-job training reduces constant supervision of the employees; and help the employees to do the job with more commitment. Moreover the results verify that On-the-job training helps to understand the job more clearly and will improve job performance. The results also disclose that on-the-job training helps to increase the motivation level of employees and enable employees to be more productive.

RECOMMENDATIONS AND CONCLUSION:

Hence, the organization should pay more attention towards the trainings because different types of the trainings are useful for them and will build employee skills, knowledge and competencies to perform the assigned duties and responsibilities. Meanwhile the organization along with the support of the top management and human resource department should focus on a well defined training design for the capacity building of the employees. As the results shows that the organization is mostly focusing on “on the job trainings”, therefore it is recommended to allocate some budget for “off the job trainings” of the employees which will create a specific learning environment and will have positive impact on building their knowledge, skills and competencies. In

addition, access to data and information remain one of the most important limitations that were faced at the initial stages of the present study; the majority of the organizations were not willing to share their opinion as well as data available with them.

Training is too much important and crucial for the survival and development of any organization or company. It is also essential for the effective performance of the employees and enables employees to adopt the knowledge, skills and competencies required to perform their activities appropriately. Meanwhile it is worth to mention that these trainings are increasing the creativity and problem solving skills of the employees that will have direct relations with the performance of the employees.

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