

Relationship between Training and Development and Employees Performance: An Analysis

Azizur Rahman, Alvy Riasat Malik

Abstract— Training and development play significant role in achieving an organization’s goals. It provides the employees with various knowledge and practical experience to accomplish the tasks. Training and development enhances employees’ morale and skills that also impact on their personal accomplishments. It is suggested that training and development and employees’ performance is closely related and has substantial influence on achievement. This paper follows qualitative methods to study on the importance of the relationship between training and development and employees’ performance and their contribution to the organizational demands and goals. It analyses different literature to discuss the issue.

Index Terms— Training, Development, Employees Performance, Relationships.

I. INTRODUCTION

Training and development are one of the most important parts of an organization. It accelerates organizational operability, enhances employees’ morale and abilities, and ensures maximum utilization of resources, most importantly, human resources. Training refers to the acquisition of ‘knowledge, skills, ability, values and attitude’ (Kim, 2016). It has a basic difference with education. Education means dealing with the basic values and skills of an individual who aspires to become a professional. The person might become certified in his/her professional designated craft for attaining the education. The system of education actually provides a platform for them to grow in their area of expertise with various distinctions. “Training pertained to scripted responses that did not build upon creativity and problem solving: it was more rote. For us these attribute distinguished education from training” (Rusaw& Fisher, 2017).

Training can be defined as a form of adult education, but it is primarily focused on acquiring or expanding job-related skills and competencies, such as the use of new job technologies, interpersonal and team communications effectively, any changes in the job itself (Laird, Holton, and Naquin, 2003). It was being evidenced and suggested that training the workforce in an organization is inevitable for all kind of operability where keeping aside their size, scope, and geographical boundaries. Training and Development prepare

Azizur Rahman, Assistant Professor, Dept. of Public Administration and Governance Studies, JatiyaKabiKaziNazrul Islam University, Trishal, Mymensingh, Bangladesh.

Alvy Riasat Malik, Assistant Professor, Dept. of Human Resource Management, JatiyaKabiKaziNazrul Islam University, Trishal, Mymensingh, Bangladesh

the employees to contribute more to the organization’s goals (Imran & Tanveer, 2015). This paper studies the importance of training and development for employee performance in an organization. It also explores the training windows through which a successful learning activity can be conducted with achieving goals.

II. OBJECTIVES

Objectives of the study are vital for studying the most pressing issue of research. This study has embarked on studying some important specs of training and development and their impact on employee performance. It aims-

- To identify the importance of training and development for employee performance.
- To explain the windows of the training that enhances employee performance and contributes to organizational and employee development.
- To analyse how training contributes to employee performance.

III. METHODOLOGY

This study follows the qualitative method of research in collecting and analysing its data. The qualitative methodology helps to conduct in-depth data collection through analysis and explanatory discussion. In this paper, data have been included from various secondary sources including journal articles, books, and different literature, and so forth.

IV. FINDINGS OF THE STUDY

A. Training and Development

Training and development are regarded as one of the important functions of the company’s Human Resource department (Weil & Woodall, 2005). As a major activity of modern human resource management, over the years training and development have been the centre of many research considerations by academic writers (Gorden, 1992). Armstrong (2001) outlines training as the formal and systematic adjustment of behaviour and action through learning. In most cases, this type of learning occurs in form of education, instructions, and the development of planned experience. Beardwell and Holden (1993) consider training

and development as a means to develop attitude, behaviour, and knowledge through learning experiences to attain higher organizational performance.

In fact, training and development aimed at equipping the employees with job-related knowledge and skills to execute job responsibilities. For training to be successful HR managers should identify the needs for training and development and select methods and programs suitable for these needs to implement those (McCourt & Derek, 2003).

A well-designed training program offers several benefits. Khan et al. (2011) emphasize training as the most important factor in the business to expand the competence and effectiveness of both employers and employees in the organization. Reynolds and Monica (2004) point out training as a comprehensive and all-pervasive people development solution. On a broader view, the training covers the immediate skill acquisition and development focuses on the future growth of employees. Coleman (1990) suggests that either way both training and development aims at enhancing employee growth and satisfaction.

Today organizations are offering a varied range of general and industry-specific training to their workforce. Regardless of the training type, training programs should focus on employees need recognition, building the core learning abilities, and long-term employability (Jackson & Schuler, 1995). Armstrong (2009) clearly stated in his book that organizations could benefit from training and development through winning the “heart and minds of” their employees so that employees can exert top performance with the motivation to remain with the organization.

Also, the quality and quantity of training, degree of management involvement, matching employee need with specific training program act as influencing factors for a training program to have a powerful impact on organizational goal attainment (Cole, 2002). And over the year’s several types of research have shown that sound and properly structured training and development are crucial functions to ensure employee satisfaction and productivity.

B. Phases of Training

Puhakainen&Siponen (2010) identifies four phases of training during research conducted by them. Those are (1) problem identification, (2) planning of the training, (3) delivering the training, and (4) results in the evaluation.

The first phase of the training is the identification of the problem that includes a survey that is conducted on a specific issue or problem to draw holistic ideation of the problem. In this stage, several questions will be asked to the respondents to know their opinion on the respective issue that constitutes a problem in the organizational operation or environment. After the identification of the problem, planning of the training comes next.

Providing knowledge if the key purpose of training, thus, the planning of training especially focuses on the acquisition of the knowledge by the learners efficiently. “This was to be achieved through training methods that enable learners' cognitive processing of information and give them the motivation to do it”. In the third phase, the delivery of the training includes the providing of knowledge to the learners

in a learning environment. Delivering the training comprises of several sessions, from introduction to closing, on specific topics and activities are arranged in this phase. The fourth phase evaluates the results of the training using various strategies and techniques. Personal and group interview is used to identify the opinion and feedback of the learners after participating in the training (Puhakainen&Siponen, 2010).

Kirkpatrick (1987) proposes four levels of training- reaction, learning, behaviour, and results. The first level measures how trainees (the people being trained) or learners react to the training. In the learning level, it measures what the trainees have learned from training. The question that would be answered here- “how much has their knowledge increased as a result of the training?” At the behaviour level, it evaluates how far the learners have changed their behaviour based on the training they received. Specifically, this looks at the application of the information that has been gained from the training. The final level is results where the organization that would provide training determines what is good or bad for the business.

According to the Annual Survey Report of the UK Chartered Institute of Personnel and Development (CIPD 2007), the most frequently used learning methods were: on-the-job training, in-house development programs, instructor-led training delivered off-the-job, external conferences or workshops, formal education courses, coaching by line managers, internal knowledge-sharing events, e-learning, audiotapes and videos, mentoring and buddying schemes, coaching by external practitioners, job rotation and secondments, and action learning settings.

C. Impact of Training on Performance

Organizational growth and development are affected by many factors. In this ever-changing, highly competitive marketplace organizations are required to have a set extremely competent workforce with top-notch performance. Studies over the years suggested that an organization’s demand for a well-qualified workforce can be met by training and development. Thus, the training and development (T&D) system is considered to be a key mechanism in achieving organizational goals and competitive edge (Peteraf, 1993).

It is quite obvious that knowledge and skill acquisition leads to better performance. Nelson (2012) explained the relationship between training and performance. He pointed out that training is significant for the organization as it enriches the worker's quality which then increases productivity. Booth (1993) indicated that continuous workplace learning and training improve the performance of employees and the organization as a whole. Training activities and improvement of employee productivity have a direct correlation as the majority of trained workers are found to affect organizational development (Russell, Terborg, and Powers 1985). According to Joseph Perera (2009), employers always look up to training as a method to improve employee skills to achieve institutional objectives.

Congressional Office of Technology Assessment (1990) reported that to remain competitive United States workers need more training. Using a panel of British industries Dearden, Reed and Van Reenen (2006) further analyzed the

link between training and productivity. They found that raising the proportion of trained workers in an industry by one percentage point upsurges value added per worker in the industry by 0.6%. Konings and Vanormelingen (2015) examined that trained worker's productivity is almost 23% higher than that of an untrained worker.

In their study, FatiniHanim&Mazlina Mustafa (2018) found that the arrangement of a good training program increases the probability of overall employee performance. Using 150 firms as samples, Bartel (1994) concluded that training and performance are positively related. In a study among administration officers of Ethiopia, the high performance had been observed of the majority of the officers as they were involved in on the job training (demonstration). In 1993, Holzer conducted a survey among 171 to 250 firms.

All these firms were granted funds by the State of Michigan to conduct training. By collecting data from those firms on training inputs and companies' outputs Holzer summarised that productivity changes significantly across those firms due to training. Swart et al. (2003) indicate training and development as a means to bridge the performance gaps. He also elaborates training as an intervention tool that facilitates organizations to recognize and improve employees' performance deficiencies. Joseph Perera (2009) suggests that training identifies and closes the gap between the prevailing and anticipated skills of a given workforce which thereby improves organizational effectiveness.

Interestingly, Bishop and Suk (1996) found that workers who are assigned to the same job and are paid the same wage often differ greatly in productivity because of skill differences. In most cases, skill differences resulted from training or lack of training. Job training and development have the most constructive effect upon employees' existing skills, capabilities, and competencies (Huselid, 1995). Training interventions retain employees efficiently and enable them to perform professionally (Tangthong, Trimetsoontorn, &Rojnirantikul, 2014).

Training educates employees with the essential skills and bridges the gap between employee's current and required skills. However, the influences of training and development programs on employee performance are more effective when it is planned and well designed. A well-planned training deliberately intervenes employees to provide them with the right type of skills necessary to improve job performance (Kenney & Reid, 1986). So, planning and designing the training program is important. Also providing excessive training (more than required) may have an inverse effect on performance.

Tsang and Levin (1985) argued that over-education and excessive learning programs could result in reduced work effort and lower productivity. In order to get the best out of the training program, Schuler (2000) emphasized the formalization of training programs. By formalizing Schuler mean to integrate training needs with the strategic planning of a business. Pilbeam and Corbridge (2002) mentioned that every training program should follow some systematic stages to be successful.

The training program is better utilized when employees learn the skills they required to learn. Wognum (2001) mentioned

that to be effective training programs should focus on resolving performance problems and improving working practices. The nature of training has also different impacts upon employees. Thus, Barrett and O'Connell (2001) found that specific training had a bigger impact on wages and productivity than general training. Also, training and development when becoming a part of organizational culture, studies show that its impact on employee performance is even bigger.

Cosh et al. in a series of papers (1998, 2000, and 2003) found that training had a more solid and substantial consequence on employee productivity when it was undertaken frequently rather than on an ad hoc basis. As the workplace continues to evolve it is evident that a good and formalized training and development program remains at the heart to make the employees more productive and remain up to date with new skills.

V. DISCUSSION

The objective of this study is about the impact of training on employee performance. However, the starting point of the analysis of this question has to be linked with the first question. From a number of previous studies, it is well observed and explained that satisfied employees perform better. Cherrington (2012) mentioned that employees with high satisfaction levels tend to contribute more to their jobs. Happy and satisfied workers always find a way to attain the firm's goals (Kinicki&Kreitner, 2007). So, if training and development increase the satisfaction level of the workers (well proven in the analysis of the first question) then it will increase the performance and productivity level of the workers too.

Henceforth, training, job satisfaction, and performance are closely interlinked with each other. Now, the question is: does training influences performance in any other way rather than just by increasing their job satisfaction level? To find out the answer let's examine the literature of the previous chapter. An organization's performance is dependent on the aggregated performance of its employees. How well employees execute their job-related activities is what stands for their performance. There are lots of indicators of employee performance. Higher output of the employees within the stipulated time, better quality work at a lower price, low turnover, and absenteeism rates are some of the indicators of improved employee performance.

As a learning process training educates employees. It injects employees with knowledge, skills, competencies, newer techniques. An organization's labour or employee productivity is measured by the volume of output produced by a given number of workers. It is obvious that effective and efficient workers produce more output than others. As a result, with efficient workers organization's overall output rises even with fewer numbers of inputs (workers). Researchers suggest that workplace learning and education is one of the main impediments to increase the efficiency and effectiveness of the workers. It equipped employees with the necessary techniques and expertise to perform the job duties by ensuring high quality at a lower cost and time.

Literature shows that there is a significant performance gap

between employees working in the same position, with the same remuneration but with better and improved training. So, it is not always factors such as satisfaction, designation, wage, or remuneration that define greater employee performance. In fact, sometimes it is the most basic aspects as a skill or competency gap that differentiate between performers and non-performers. Furthermore, the aim of a well-designed training program is to find the performance deficiencies of employees.

An employee performance deficiency does not only occur due to a lack of skill or knowledge. Many organizations forget that the relationship between employee and employer is a two-fold reciprocal relationship. Employers have some expectations from employees, likewise, employees also expect from their employers. Studies show that opportunity for career growth and advancement is one of the major expectations employees have over their employers. Training and development programs allow the employee to flourish their full potentialities and future growth as well give them the reason to work harder for their current employers. Henceforth, it is apparent that training and development has an impact on employee's performance as well as the overall productivity of the organization. However, the type of training programs, design, and formalization of training programs, amount and frequency of the program have impacts on employee performance.

Training and development enhance the productivity of the employees as well as accelerates the organizational capabilities that also boost collective productivity. It is widely recognized that the sustainable development of an organization requires continuous training and development of employees. It is because, in an ever-changing world, organizations must have that type of employee who can easily adapt to new situations and challenges. That's why organizations need to invest significantly to sustain the success of the organization through properly trained employees. In the 21st century, those organizations which can learn faster and adapt to the changes and competitions will have a favourable work environment that would lead them to success.

Training enhances employees' initiative and quality of work, thereby assisting them to be more committed to achieving the organizational goals and objectives and in turn enhancing employees' effectiveness within the organization (Nda&Fard, 2013). Without effective training and development, organizations cannot cope up with the competition with their counterpart in the market, thus, it would lead them to collapse. If employees are trained, they will help the organizations in different capacities with creativity in a competitive environment. If employees are well educated about the state-of-the-arts strategies and technologies in the business, their performance can be easily boosted with high morale and confidence. It will give the employees a strong point that they are capable enough to compete and succeed.

VI. CONCLUSION

The common belief is that there is no single best strategy or method to promote and enhance employee performance in an organization. To develop the human resource capacity, the

system of training should be improved with continuous attention. In the case of the government sector training, the public perception is not good. In the private sector, it is not that sophisticated, thus, continuous improvement in training needs to be promoted.

It is also necessary to promote government employees' active and voluntary participation in teaching communities (Kim, 2016). There is an urgent need for capacity building, but capacity building has three different levels: individual, organizational and systemic. At the individual level, the need is to improve the level of training and education. We need to improve training conditions. We need better trainers, better facilities and better equipment. We need to have training evaluation and feedback for trainers and trainees.

Training results should be utilized for employees' placement or promotion. There must be innovation in the operation of training institutes. For example, the head of each training institute should be recruited in an open, competitive way, and he or she must be reform-minded and reform orientated. It is, therefore, necessary to develop an open recruitment system to hire key officials and staff of training institutes; we need to turn those institutes into organizations that promote organizational learning to meet future challenges in government.

REFERENCES

- [1] Armstrong, M. (2001). *Armstrong's Handbook of Human Resource Management Practice*. 8th ed. London: Kogan Page Limited.
- [2] Armstrong, M. (2009). *Armstrong's Handbook of Human Resource Management Practice*. 11th ed. London: Kogan Page Limited.
- [3] Barrett, A., & O'Connell, P. (2001). Does Training Generally Work? The Returns to In-Company Training. *Industrial and Labor Relations Review*, 54 (3), 647-662.
- [4] Bartel, A.P. (1994). Productivity Gains from the Implementation of Employee Training Programs. *Industrial Relations*, 33, 411-425.
- [5] Beardwell, N., & Holden, B. (1993). *Managing for Success*. 2nd ed. London: Prentice Hall Publisher.
- [6] Bishop, J. H., and Suk, K. (1996). Do Some Employers Share the Costs and Benefits of General Training?. Centre for Advanced Human Resource Studies, Working Paper 96- 19, Cornell University.
- [7] Booth, A. (1993). Private Sector training and Graduate Earnings. *Review of Economics and Statistics*, 75(1), 164-170.
- [8] Chartered Institute of Personnel and Development (CIPD). (2007). *Annual Survey Report on Learning and Development*. London: UK Chartered Institute of Personnel and Development.
- [9] Coleman, J.S. (1990). *Foundations of Social Theory*. Cambridge, MA: Harvard University Press.
- [10] Cole, G.A. (2002). *Personnel and human resource management*, 5th Ed. Continuum London: York Publishers.
- [11] Cosh, A., Duncan J. and Hughes, A. (1998). Investment in training and small firm growth and survival: an empirical analysis for the UK 1987-1996, DfEE Research Brief No. 36, London.
- [12] Cosh, A., Hughes, A. and Weeks, A. (2000). The relationship between training and employment in SMEs, DfEE Research Report No. 7, London.
- [13] Cosh, A., Hughes, A., Bullock, A. and Potton, M. (2003), The relationship between training and business performance, DfEE Research Report No. 245, London.

- [14] Dearden, L., Reed, H., & Van Reenen, J. (2006). The Impact of Training on Productivity and Wages: Evidence from British Panel Data. *Oxford Bulletin of economics and statistics*, 68(4), 397-421.
- [15] Gordon, B. (1992). Are Canadian firms under investing in training? *Canadian Business Economics*, 1(1), 25-33.
- [16] Hanim, F., & Mustafa, M. (2018). The Effect of Training and Development towards Employee Performance: A Case Study in Proton TanjungMalim. *Global Business and Management Research: An International Journal*, 10 (3), 777-781.
- [17] Holzer, H. (1993). Are training subsidies for firms effective? The Michigan experience. *Industrial and labor relations review*, Cornell University Press, 46(4).
- [18] Huselid, M. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *The Academy of Management Journal*, 38(3), 635.
- [19] Jackson, S., and Schuler, R. (1995). Understanding Human Resource Management in the Context of Organizations and their Environments. *Annual Review of Psychology*, 46, 237-264.
- [20] Kenney, J., & Reid, M. (1986). *Training Interventions*. London: Institute of Personnel Management.
- [21] Khan, R.I., Aslam, H.D. and Lodhi, I., (2011). Compensation Management: A strategic conduit towards achieving employee retention and Job Satisfaction in Banking Sector of Pakistan. *International journal of human resource studies*, 1(1), p. 89.
- [22] Kim, P. (2016). Innovating training and development in government: The case of South Korea. In Podger A. & Wanna J. (Eds.), *Sharpening the Sword of State: Building executive capacities in the public services of the Asia-Pacific* (pp. 125-140). Australia: ANU Press. Retrieved February 7, 2021, from <http://www.jstor.org/stable/j.ctt1rqc997.12>
- [23] Kirkpatrick's D. L. (1987). *Evaluation of Training in R.L. Craig (ed.), Training and Development Handbook*, New York: McGraw-Hill.
- [24] Konings, J., & Vanormelingen, S. (2015). The impact of training on productivity and wages: Firm-level evidence. *Review of Economics and Statistics*, 97(2), 485-497.
- [25] Laird, D., E.F. Holton, and S. Naquin. 2003. *Approaches to Training and Development* (Revised Ed.), Cambridge, MA: Perseus Books Group.
- [26] [26] McCourt, W., & Derek, E. (2003). *Global Human Resource Management: Managing People in Developing and Transitional Countries*. Cheltenham, UK: Edward Elgar.
- [27] Nelson, J. Hilary, V., and Michael, N. (2012). Relationship between on-the-job Training and Employee's Performance in Courier Companies in Dar es Salaam, Tanzania. *International Journal of Humanities and Social Science*, 2 (22), 114-120.
- [28] Nda, M. M. & Fard, R. Y. (2013). The Impact of Employee Training and Development on Employee Productivity. *Global Journal of Commerce and Management Perspective*, Vol. 2(6).
- [29] Peteraf, M.A. (1993). The Cornerstones of Competitive Advantage: A Resource-Based View. *Strategic Management Journal*, 14 (3), 179-192.
- [30] Perera, J. (2009). *Assessment of Training Needs and its Impact on Employee Performance*. Canadian Institute of Management.
- [31] Pilbeam, S., & Corbridge, M. (2002). *People Resourcing: HRM in practice*. 2nd ed. UK: Financial times prentice hall.
- [32] Puhakainen, p. & Siponen, M. (2010). Improving Employees' Compliance through Information Systems Security Training: An Action Research Study. *MIS Quarterly*, Vol. 34, No. 4, pp. 757-778. Accessed on 28 Jan 2021. Available at <https://www.jstor.org/stable/25750704>.
- [33] Reynolds, A. S., and Monica, J. R. (2004). *The Training and Development Strategic Plan Workbook*.
- [34] Rusaw, A. C. & Fisher, V. D. (2017). Promoting Training and Professional Development in Government: The Origins and Early Contributions of SPOD. *Public Administration Quarterly*, Vol. 41, No. 2. Accessed on 28 Jan 2021. Available at <https://www.jstor.org/stable/26383411>.
- [35] Russell, J., Terborg, J., and Powers, M. (1985). Organizational Performances and Organizational Level Training and Support. *Personnel Psychology*, 38(4), 849-863.
- [36] Schuler, R. (2000). The Internationalization of Human Resource Management. *Journal of International Management*, 6, 239-260.
- [37] Srimannarayana, M. (2011). Measuring Training & Development. *Indian Journal of Industrial Relations*. Vol. 47, No. 1, pp.117-125. Accessed on 28 Jan 2021. Available at <https://www.jstor.org/stable/23070559>
- [38] Swart, J., Kinnie, N., and Purcell, J. (2003). *People mid Performance in Knowledge Intensive Firms*. London: CIPD.
- [39] Tangthong, S., Trimetsoontorn, J., and Rojnruntikul, N. (2014). HRM Practices and Employee Retention in Thailand—A Literature Review. *International Journal of Trade, Economics and Finance*, 5(2), 162-66.
- [40] Tsang, M.C. and Levin, H.M. (1985), The economics of overeducation. *Economics of Education Review*, 4, 93-104.
- [41] Weil, A., & Woodall, J. (2005). HRD in France: the corporate perspective. *Journal of European Industrial Training*, 29(7), 529-540.
- [42] Wognum, A. A. M. (2001). Vertical Integration of HRD Policy within Companies. *Human Resource Development International*, 4(3), 407-421.