

Study of training & development impact on employees in it sector

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Abstract

In today's era, Organizations operate in a continuous learning mode because of high competition in the market. The organizations and individuals should show flexibility in becoming continuous learner in order to survive & develop, which would further help companies to become most successful. In an association, the most vital task is to put the right person at the right place, otherwise companies would only keep on trying to survive in the competitive world Majority times the lack of motivation on part of the individuals accompanied with lack of knowledge of the specific job can lead to grievous situations and a big loss to companies. Hence there is no doubt on the importance of continuous upgrade and training in the relevant domains to cope up with the competitive strategies in the market. There is a continuous need to ensure effective training to match up with such market requirements not to be the best but most importantly for the necessary survival. The primary objective of this paper is to conduct a comprehensive study and analysis of training and development process of IT Companies which would be helpful in highlighting the importance of discovering, harnessing and developing the human capital to the benefit of both the individual and the organization in today's highly dynamic and competitive business world, having a special reference for managerial position. Thus the sample comprised of IT employees who were of manager rank and above. This paper tries to establish and identify the relationship between effectiveness of Training programs over productivity of employees and profits of IT organization. A survey of 128 employees of 5 IT companies in Delhi-NCR was conducted out of which sample size of 100 was taken for the study after eliminating the irrelevant and incomplete data.

Keywords: Effectiveness, Productivity, IT Companies, Training & Development, Training Process.

Introduction

The success of a training program majorly depends on the identification of parameters of training, which should happen in a proper fashion as well as very frequently, preferably every quarter. There are several issues that needs the attention as to how the training requirement will be identified, what has been the gaps of the previous training program, what will be the size of the target group of training and the most important matching the training with the strategic objectives of the company. These are the important points, which require critical attention from the Human Resource professionals in order to assess the training needs. Usually companies have their own system to identify training needs. However, need identification task can be harmful in few cases if the needs are not identified systematically and supported with effective programs. Managers must study that their proposals are given due consideration and suitable actions are initiated to satisfy the felt needs. Only then, they will take this exercise seriously. Hence, planning of suitable and need based training programs and their timely implementation is very important for the success of any training program.

If the training program is constructive and carries practical evaluation of training it substantially helps the organizations in reducing the costs of training programs.

Effective training design: It pitches an emphasis on those parameters of a training system which matter a lot, such as proper laying down of objectives and

setting parameters on how these objectives will be measured.

Enhanced expert esteem: Training professionals can lead to enhanced stature of any organization. The recommendations, plans through domain experts prove more effective as they come from experts having relevant experience and effective understanding of training implementations.

Enhanced negotiating power: On much the same tack evaluation makes it possible for the HR function to demonstrate a successful contribution to the business over a period of time. When resources are to be allocated and new investment decisions to be made, them being able to show the outcomes of training would be invaluable.

Appropriate criteria of assessment: Individuals within an organization will make judgements about how effective the training function is, regardless of whether an evaluation system is in place or not. Thus it is very necessary for the HR Department to control and ensure the choices of appropriate criteria, which could be most safely done through formal evaluation process.

Intervention strategy: Evaluation is basically a change agent of the way the training is integrated into an organization. It is a medium of enhanced esteem and negotiation power of HR function to enact an active role in developing good policies for the company.

Review of Literature

According to Chhokra, Bhanu (2015) training and development is an indispensable function in an ever

changing and fast paced corporate world but most of the companies pay least importance to it.

Ganesh, M., Indradevi R., (2015), Training and development plays an important role in the effectiveness of organizations and to make people to do work effectively & efficiently. It is said that training has implications on productivity, commitment to the work and personal development. All companies must train people and develop their staff. Most of the organizations are aware of this requirement and invest and do many things for training and development.

Velmurugan P. S., (2009) Training is the periscope to see the future. It is intended to identify the future of the organization to develop and steer them. Development creates generalists and helps people to think strategically, even when their present jobs do not call for such thinking. It pushes and stretches people beyond their present function.¹

Khan, Abdul Ghafoor, Khan, Furqan Ahmed, Khan, Muhammad Aslam Khan (2011), Training and Development, On the Job Training, Training Design and Delivery style are four of the most important aspects in organizational studies. This paper tried to evaluate the effect of Training and Development, On the Job Training, Training Design and Delivery style on Organizational performance.

Swaminathan, J. and Gowri Shankar, U., (2011). This paper tries to conclude that training is the act of increasing the knowledge and skill of an employee for doing a particular job. The training is to acquire new skill, technical knowledge, problem solving, etc. It improves the performance of employees on present jobs and prepares them for taking up new assignments in the future. Training also helps in the growth of the employees. The main objective of the study is to measure the effectiveness of the training in the organization and its impact on employee job performance.

Chris Obisi (2011) The ultimate aim of any training program is to add value and once a training program cannot add value, it should be reworked or altogether revoked. Acquisition of new skills is only possible with Training Programs and without skills organizations will not achieve its objectives through people. Some organizations see training as an expensive venture and may put embargo on training and utilize the money for other projects in the organization.

Scott Brum, University Of Rhode Island (2007) To gain an advantage amongst competitors training is of great importance to companies. There is significant debate among professionals and scholars as to the affect that training has on both employee and organizational goals.

Chidambaram, Vijayabanu1, Ramachandran, Amudha (2012) The success of any organization depends on appropriate use of human assets available in the organization. All other assets could only be supplementary to human assets. Towards augmenting

the human resources and to cope with changes – both internal and external, the organization has to concentrate necessarily on developing the ability, wisdom and skills of its workforce which is possible through training programs.

Aidah Nassazi (2013) According to this study “effects of training on employee performance.” Employees are major assets of any organization. The active role they play towards a company’s success cannot be underestimated. As a result, equipping these unique assets through effective training becomes imperative in order to maximize the job performance.

Bhatia et al., (2014), Training is a medium to bring continuous improvement in the quality of work performed; it would equip employees with necessary knowledge, skill, abilities and attitude to perform their jobs.

B.K. Punia, Saurabh Kant (2014) the authors tried to depict the importance of factors affecting training effectiveness vis-à-vis managerial implications and future research directions The findings of this study suggest many factors which affects training effectiveness like motivation, attitude, emotional intelligence, support from management and peers, training style and environment, open-mindedness of trainer, job related factors, self efficacy and basic ability etc.

Ambika Bhatia & Lovleen Kaur (2014) In today’s era employees are not keen to join an organization where their Knowledge and skills are not upgraded. Many organizations provide opportunities for learning and use it as a retention tool. Results prove that training and development are positively correlated and claimed significant statistical relationship with employee performance and effectiveness.

Veekesy Polymers Pvt Ltd. adopted a training and development program that mainly focuses on areas like job oriented trainings, technical skills, knowledge and quality aspects. Most of the respondents were satisfied with the present training methods and also rated it as good and excellent towards the quality and effectiveness of the program. The program had to concentrate on people who are dissatisfied with the training. Training ought to be based on the need of the organization. It must benefit the personnel in terms of performance and learning which will thus influence the organization. As it may be, a portion of the small scale and full scale establishments intended to prepare and equip representatives with the essential aptitudes and learning are not doing very well in terms of number of individuals these institutions prepare.

Raja Abdul Ghafoor Khan, Ahmed Khan and Dr. Muhammad Aslam Khan (2011) The findings suggest that training and development, delivery style, on the job training and training design have an effect on Organizational Performance which means it increases the overall organizational performance.

Pilar Pineda (2010). It has been found that the way in which organisations assess their training is long way from what would be desirable in order to evaluate its effect on employees. This precarious situation is due to the numerous difficulties engaged in assessing training and an inability to comply with certain fundamental requirements of existing evaluation systems. Any evaluation plan must consider a series of progression of prerequisites that guarantee that the assessment is completed in the best way. Compliance with these requirements is the initial move towards overcoming the difficulties

Winfred Arthur Jr, Winston Bennett Jr, Pamela S. Edens and Suzanne T. Bell (2003) They discovered a particular training design and evaluation features and then used meta-analytic procedures to empirically assess their relationships to the effectiveness of training in organizations. The outcomes of these authors recommend that the training method used, the skill or task characteristic trained, and the choice of training evaluation criteria are identified with the watched viability of preparing programs.

Doris B. Collins (2002) The best program for the organization is the one where the vital structure of the organization drives the content of the training program. Serious problems arise when the goals and objectives of the training program are not linked to the overall strategy of the organization. To be viable, the training program must first be preceded by a requirement assessment to ensure that the program targets meet the particular necessities of the organization and are connected to the organizational strategy. The best programs incorporate adult learning standards to upgrade vital reasoning and other critical and complex learning capabilities. Programs must account for the individual learning styles of a different gathering of pioneers and directors.

Joan F. Brett and Don Vande Walle (1999) It has been seen that investigating the interceding variables between personality and performance may give a productive avenue for understanding the relationships between individual differences and performance. The discoveries state that even with regards to an outer objective, people embraced diverse objectives for the training program. This shows the need to dedicate more attention to the goals that people openly pick and the subsequent results. The outcomes additionally propose that goal-setting researchers need to incorporate a more extensive assortment of execution results. It is also recommended that trainees with skill improvement objectives won't just only do well on the task but will also be more effective at transferring their new skills to the job.

Gregory Morwood (1998) Most organisations allocate part of their operational resources, staff and annual budget to general training. Business community training must also fall inside the general structure for training within an organisation and be allocated an

appropriate priority within it plan, while also plotting how different groups will support these activities. Awareness training should be conducted for the personnel upon the establishment of the initial business community plan or following essential changes to it. It should also be conducted for all newly recruited personnel during induction training and for staff who have moved into positions with new responsibilities under the plan.

Carolyn M. Axtell and Sally Maitlis, Shawn K. Yeara (1996) The outcomes recommend that trainees' perceptions and usefulness of the course and their motivation to transfer skills are key factors in identifying the level of transfer of training they feel they have attained after a month. In other words, if new skills are to be transferred to the workplace, trainees first need to feel that the course is related to their jobs, and must also be committed to using what they have learned. Additionally, in the long term, the individuals those who have more control over the way they work may find they can create more opportunities to use new skills than those who have less autonomy in their occupation.

Ann P. Bartel (1994). The major finding is that businesses that were working below their expected labor productivity levels in 1983 actualized new employee training programs after 1983 which brought about significantly larger increases in labor productivity growth between 1983 and 1986. The constructive outcomes of training execution on productivity growth were appeared to be inconsistent with a "Hawthorne Effect" interpretation in the light of the fact of new personnel policies other than training did not have significant effects on productivity growth. Formal employee training programs are unique in their ability to bring below-average firms up to the performance level of practically identical businesses.

Raymond A. Noe and Neal Schmitt (1986) The path-analytic outcomes for the elective model recommend the presence of a number of various important causal relationships. The path coefficients for the links between response to skill assessment and reaction to training, job inclusion and career planning, work association and learning, and career planning and conduct change were all statistically significant. Trainee response to ability appraisal was an essential antecedent of satisfaction with the training program. Trainees who responded emphatically to the requirements appraisal technique were more likely to be happy with the training program content than were trainees who couldn't help contradicting the evaluation of their expertise needs. Career planning was observed to be an important prerequisite for development in actual on-the-job behavior as a result of participation in the training program. Perhaps, people who have a career strategy are more willing to apply training content to their work on an account of a consciousness of the relationship between behavior improvement and

career mobility. Those trainees who have contemplated or planned the moves they may make to pick up the school principal ship might be more cognizant of how changes in their conduct in the manner advocated by the training program will enhance their managerial abilities and chances for advancement

Research Methodology

In this study the primary data was collected from the employees of IT Organizations mainly through questionnaire. Questionnaire was distributed among the employees of IT Organizations above assistant manager level.

Since the focus of research is on employees of IT Organizations at Delhi NCR region we collected random samples (convenience sampling) from 100 employees (Managers & above).

Research Problem

In an organization, the most important task is to place the right employee in the right position, otherwise organizations would try “to fit a square peg in a round hole”. At the point when individuals perform tasks that sometimes fall short or rather the absence of motivational factors will be clearly grievous. Lower levels of profitability, disappointment among people in organization, low spirit, and other negative practices will get to be normal till the employees is demonstrated the stoop.

For this, organizations need to have a vision, mission and a well-defined strategy for future recruitments. Today, India has become the capital of

outsourcing for the world and this has created a set of HR challenges for manager. The most concerning issue for today’s management is highly motivated graduates that are turning out to be rare.

Hypothesis:

H₀: There is no significant relationship between on the job and organizational profits.

H₁: There is significant relationship between on the job and organizational profits.

H₀: There is no significant relationship between training design and organizational profits.

H₁: There is significant relationship between training design and organizational profits.

H₀: There is no significant relationship between satisfaction and organizational profits

H₁: There is significant relationship between relationship satisfaction and organizational profits.

H₀: There is no significant relationship between skills and organizational profits.

H₁: There is significant relationship between skills and organizational profits.

Inferential Analysis

1. Correlation Analysis :

Through this analysis, we analyzed whether motivation and employee performance are related in this research population or not.

Table 1: Correlations

		On the Job	Job Design	Job Satisfaction	Job Skills	Organisation Profit
On the Job	Pearson Correlation	1	.849**	.860**	.876**	.889 ¹
	Sig. (2-tailed)		.000	.000	.000	.000
	N	100	100	100	100	100
Job Design	Pearson Correlation	.849**	1	.839**	.850**	.865 ²
	Sig. (2-tailed)	.000		.000	.000	.000
	N	100	100	100	100	100
Job Satisfaction	Pearson Correlation	.860**	.839**	1	.851**	.848 ³
	Sig. (2-tailed)	.000	.000		.000	.000
	N	100	100	100	100	100
Job Skills	Pearson Correlation	.876**	.850**	.851**	1	.888 ⁴
	Sig. (2-tailed)	.000	.000	.000		.000
	N	100	100	100	100	100
Organisation_Profit	Pearson Correlation	.889**	.865**	.848**	.888**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

This shows the correlation value between **on the job training – 0.889; job design – 0.863; satisfaction – 0.848; skills – 0.888 and organizational profit** indicates a strong (positive) linear relationship between the variables.

B – Since the value of $p < .05$, we conclude that the correlation is not 0 in the population and it is assumed to be near 0.73.

Regression Analysis - Overall model fit:

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.927 ^a	.860	.854	.39598
a. Predictors: (Constant), on the Job, Training design, Satisfaction, Skills				

This implies that R value is 0.927 which further indicates a good level of prediction of dependent variable from independent variables. R Square value is 0.860 which indicates 86.0% of correctness.

Table 3: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	91.686	4	22.921	146.179	.000 ^b
	Residual	14.896	95	.157		
	Total	106.582	99			
a. Dependent Variable: Organisation_Profit						
b. Predictors: (Constant), on the Job, job design, Satisfaction, Skills						

The *F*-ratio in the ANOVA table tests whether or not the overall regression model is a good fit for the data. The table shows that the independent variable statistically significantly predicts the dependent variable, $F = 146.179$, and the sig. Value i.e. $p < .0005$ - therefore, the regression model is a good fit of the data.

Table 4: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.163	.146		1.113	.029	.128	.454
	On the Job	.310	.090	.321	3.761	.001	.132	.488
	Training Design	.228	.082	.233	2.798	.006	.066	.390
	Satisfaction	.103	.085	.103	1.206	.031	.066	.272
	Skills	.311	.088	.322	3.545	.001	.137	.485
a. Dependent Variable: Organisation_Profit								

In the above table, we can see that sig. Value is 0.000 i.e. $p < 0.05$ which indicates that the coefficients are statistically significantly different to 0. And the independent variable – On the Job has the t-value i.e. 3761., which indicates that the organizational profit is mostly affected by On the job Training given to employees.

Conclusion

The training and development process is the foundation for all training activities. Identification of needs of training is extensively done at all levels of

organization which helps in further developing and implementing successful training programs for its Human Capital. Priority is given to ‘need based training’ which will have direct impact on the employees’ efficiency and improve work effectiveness. The training and development domain takes into account the annual appraisal report of the employees for determining training needs.

Training measures usually provide valuable inputs to the employees for execution of present as well as future roles efficiently.

Also to note, at the end of each training program the trainer's impressions about the session is always noted at a record place which gives an importance into the employee's performance during the training period. The timely feedback of both the trainers and trainees helps in taking effective corrective action plan for future training programmes. Suitable plans can be framed to develop a team of highly motivated and committed work force so that the company can make inroads in markets and build a favorable image. The mission for improvement should never end as it is an endless journey.

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