



# THE IMPACT OF EMPLOYEE TRAINING AND DEVELOPMENT ON EMPLOYEE PRODUCTIVITY

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## Abstract

Training and development are the core areas of human resource department. Training helps the employees to perform better each day and this results in enlargement and evolvement of employees and organizations. The purpose of this paper is to show the seriousness of training and development on productivity of employees. In current edge era the organizations are investing a lot in effective training and development to achieve the short term and long-term benefits and it also helps in achieving the competitive advantage as it helps the individual to acquire a knowledge and same will be implemented in the work which will help in increase the efficiency of work and it results into employee productivity. Human capital is the most valuable asset any organization can have and training and development is the indicator that assist human capital in exploring capabilities. Therefore, training and development is important to the productivity of organization's human resources.

**Keywords:** Employee Training, Productivity, Development, Effectiveness

## 1. Introduction:

Every organization wants to survive for the longer period of time in the market and for that the human asset plays the vital role. Every position and designation in the firm is significant for higher productivity and profitability and the same can highly be strengthened by providing training and development to the employees i.e., human asset of the organization. Through training the organizations can generate the more effectiveness and efficiency in the employees, and developmental programs can help in the overall growth of individual and organization. Hence, the organizations should have the workforce who have ability to adjust in critical business environment. (2017-Subrata Ghosh) stated in her report that US companies spend up to 10 percent of their employee costs on Learning & Development - whereas India spends just 1-2 percent. However, the success of organization is dependent on its skilled and experienced manpower. Therefore, in order to sustain in the market, the organizations must continue with the training and development programs as invaluable investment. Training and development are very necessary and mandatory at all employee levels, due to the reason that skills erode and become obsolete over a period of time and has to be replenished (Nishtha and Amit 2010).

## 2. Employee Training:

Training is well organised and standard way by which organizations provide development and upgrade the skill sets of new employees and existing employees. Training is seen as an orderly methodology of learning and development that improve individual, group and organization (Goldstein and Ford, 2002) in Khawaja and Nadeem (2013). Therefore, training is a standard technique to develop the skill set of an employee which is given by an organization in form of group activities or individual activities. This helps the employees to enhance their knowledge and it fulfils the purpose of individual growth. Thereby, it helps in increasing the efficiency in performance of human resources, organizations and society at large. According to Majnu and Suresh (2011), training serves as an act of intervention to improve organization's good services quality in stiff the competition by upgrades in technical skills of employees.

## 3. Employee Development:

Employee Development is a mutual approach of the employee as well as the organization to raise the existing skills set and knowledge of an individual. The benefits of employee development are enjoyed by an individual and organization as whole. It is very necessary and important to keep employees updated with the new developments in the industry to win the competitive advantage. In this way, organizations need to invest in continuous employee development in order to maintain employees as well as the organization achievement (Khwaja and Nadeem 2013).

## 4. Employee Productivity:

Employee productivity is the way of measuring the output given by an individual employee or group of employees in a specified time. Generally, the assessment of productivity is done after the training and development programs. It is the log of net sales over total employees (Rohan and Madhumita 2012).

## 5. Employee Training and Employee Productivity:

Employee training and employee productivity is a joint measure to increase the value of an organization. Both are dependent on each other. Highly effective training results in highly effective productivity. Induction and orientation training programs arranges the tone for the longterm productivity of newly joined employees. Getting the expertise of the knowledge and skills for their work enhances the confidence and satisfaction and it results into productivity. Upgrading the current skill sets results into more output with less input. Increased productivity highly supports the performance-based culture. It gives the clarity of attainable goals and motivates the employees to achieve the same. Training is a significant move to upgrade the skills of an employees which helps them to perform their best. Hence, it increases the productivity of an organization which gives high revenue. Training is the most effective way of motivating and retaining high quality in human resources (Kate Hutchings, Cherrie J. Zhu, Brain K, Cooper, Yiming Zhang and Sijun Shao, 2009). However, the ultimate goal of every organization is to generate high profits and increase the revenue and to achieve this goal the important measure to realise the same is an efficient and productive work force. Hence, to get an effective work force training and development programs are required which leads to productivity.

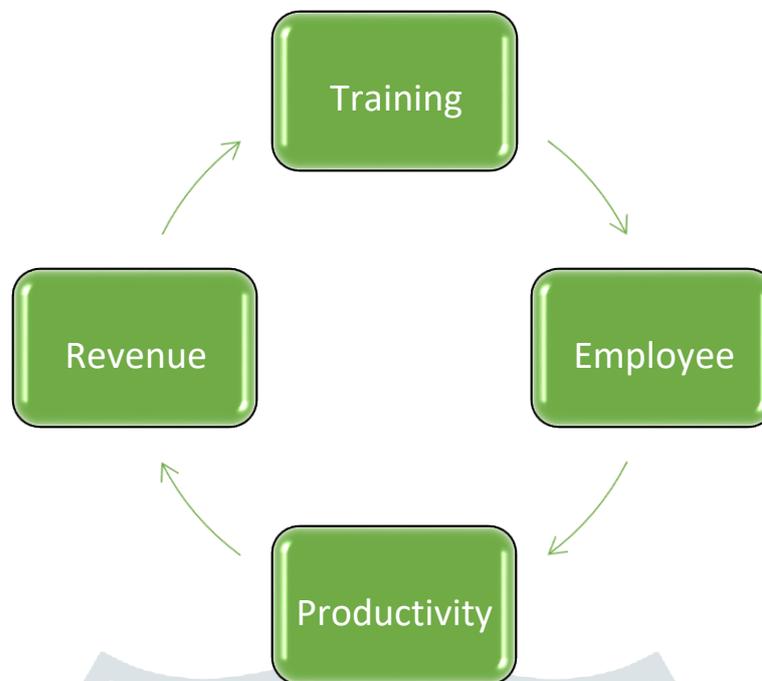


Fig 1: Relationship Cycle

Source: Rohan and Madhumita (2012)

## 6. Employee Development and Employee Productivity:

Employee development helps in enhancing the current skills of employees which reduces the basic and small mistakes of business activities. Development programs not only help in increasing the productivity and efficiency but also helps the employees to grow in their career with the new skills and updated knowledge which provides them the better opportunity in future. Development seems to reduce the turnover rate of employees (Deckop et al. 2006). Thus, advanced opportunities do not only reduce absenteeism, but it increases employee's commitment and satisfaction that help reduce turnover (Atif et al. 2010).

## 7. Literature Review:

Training is a growing importance to companies and is tool by which organizations can build a more committed and productive workforce (Brum, 2007). Continuous training and development of human resource is very crucial and vital because training and development are very important in a world where technological advancement is very rapid and is very important for any organization's success (Laing, 2009). Gap between given performance and desired performance can be diminished by providing effective training to employees (Bossche, Segers and Jansen, 2010). Organizations, which give training and development opportunities to their employees, can get high results because training and development play an important role in employee performance (Saleem, Shahid and Naseem, 2011). Employee development can boom organization's performance. By developing employees; employee learning, skill growth, self direction and employee attitude enhance organization's performance (Hameed and Waheed,

2011). For any organization, training is considered to be of very much of importance in order to achieve excellence and competencies (Akhter, Ali, Sadaqat and Hafeez, 2011). Due to weakness of vocational training and educational systems in some countries, companies have to increase their budgets for training and development (Vo and Hannif, 2012).

## 8. Discussion:

Training and development must be designed and delivered to reach the requirements of workforce in such a way that it will not only increase the productivity but also helps the employees to get motivated and committed towards their individual goals and organizational goals. Organization should invest in training and development activities which helps them to get a productive workforce and helps in achieving the competitive advantage. Productive workforce increases the goodwill of an organization by achieving the optimum goals and it helps the organization to earn high profits. Through these profits, organizations can expand the business and can give the new opportunities to the employees which ultimately helps the employees for better future and self-esteem.

Training and development hold the key to unlock the potential growth and development and opportunities to achieve the competitive edge (Rama V. and Nagurvali Shaik, 2012). Organizations train and develop their employees precisely in order to enhance their productivity. Thus, knowledge, skills and abilities are the considerations of employees' performance which organizations need to continuously invest positively in order to improve the employees' productivity and efficiency. As supported by (Neo, 2006), organizations spend an enormous amount of money and time on training in order to aid employee's learning of job-related competencies. Hence, it is important to fully provide the results from training efforts (Dowling and Welch, 2005). Training is an essential element for sustainable competitive advantage and survival in the 21<sup>st</sup> century as it is the process of providing employees with specific skills or helping them to correct deficiencies in their performance (Poh, 2001). It can be defined as development of skills, specifies measurable objectives, and should result in observable change in behaviour (Wagonhurst, 2002).

Mostly the training is given to the employees for three main purposes stated by (Belcourt, Wright and Saks, 2000), (1) to increase productivity or the performance of employees, (2) to achieve organizational goals and (3) to invest in employees to succeed in the unpredictable and turbulent business environment. Hence, training is a systematic process, which helps people to learn how to be more effective at work by modifying knowledge, skills or attitudes through learning experience to achieve effective performance (Buckley and Caple, 2000).

## 9. Conclusion:

Training and development help in uplifting the organization by generating a skilled workforce. It helps the organization to reduce its risks and uncertainties to some extent and helps in strengthening the organization with the formulation of business strategies and policies which helps them to take a hold of every available opportunity. Investing wisely in training and development results in high productivity and maximization of profits. Along with the organizational benefits, training and development helps an individual employee to grow more with the high skills and upgraded knowledge which results into job satisfaction and commitments towards the organization. It reduces the employee turnover rate and increases the employee retention which gives a great impact on organization's performance. Training and development create the sustainability to stay for a longer period of time in the market and achieve the competitive advantage.

In this 21<sup>st</sup> century, the businesses are growing faster with more innovations and competitions. The reason behind this is the growing technology and the effects of globalization. Hence, to survive in 21<sup>st</sup> century the organization has to provide the training and development programs to employees on critical thinking, generating innovative ideas, working in a team, flow of communication and many more. It helps in increasing the efficiency and productivity of employees. Trained workforce gives quantity and quality performance and it reduces the wastage of resources, time and money.

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