



THE RELATIONSHIP BETWEEN STAFF TRAINING AND COMPANY PERFORMANCE

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Abstract : This article is entitled “A Study On Effectiveness Of Training And Development Programme in a company. The study gives the information regarding satisfaction level of employees training related factors. The suggestion thus outlined can be used by the company to improve the employee’s performance through the training. The present study is related to the training and development programme. Although there are many advocates of training and its important role in improving firm performance, it has been criticised as faddish, or too expensive and not transferring to the job. In fact, some studies have failed to find the impacts of training on firm performance. This article aims to advance understanding of the effects of training on firm performance by reviewing theory and previous empirical studies on the relationship between training and firm performance. The paper aims to describe the important theoretical approaches and proposes a framework for analysing training and firm performance issues. Data from previous studies are used to assess the effects of training on firm performance. The analysis indicates that the relationship between training and firm performance may be mediated by employee knowledge and attitude. Furthermore, capital investment or organisational strategy does moderate the training performance relationship. Finally, the article discusses and identifies the limitations of previous studies and directions for future research on this topic.

IndexTerms - Employee Training, Employee Development, employee Productivity.

I. INTRODUCTION

Training is designed to provide learners with the knowledge and skills needed for their present job. Because few people come to the job with the complete knowledge and experience necessary to perform their assigned job. Provides a systematic explanation of investment in human capital and associated productivity, wages, and mobility of workers. Such investment not only creates competitive advantages for an organisation, but also provides innovations and opportunities to learn new technologies and improve employee skills, knowledge and firm performance. In fact, there is an increasing awareness in organisations that the investment in training could improve organisational performance in terms of increased sales and productivity, enhanced quality and market share, reduced turnover, absence and conflict. In contrast, training has been criticized as faddish, or too expensive, and there is an increasing skepticism about the practice and theoretical underpinning of linking training with firm performance.

Thus organizations should have employees that have capability of adjusting to swift dynamic business environment. Paradise, (2007) in his report stated that U.S. organizations alone spend more than \$126 billion annually on employee training and development. In an environment where there is high uncertainty tends to present organizations with high risk, the knowledge of business and market intelligence present organizations with a reliable competitive advantage over those that do not have such (Jelena, 2007). The knowledge is turning to basic capital that triggers development. Training is the most important technique of human resource development. No Organization can get a candidate exactly matching with the job and organizational requirements. Hence, Training is important to develop the employee and make him suitable to the job. Trained employees would be a valuable asset to an organization. Organizational efficiency, Productivity, progress and development to a greater extent t depend on training. Organizational objectives like viability, stability and growth can also be achieved through Training. Training is important, as it constitutes significant part of management control.

II. OBJECTIVE OF THE STUDY

- To study the effectiveness of the employees Training and Development Programme.
- To identify the employees opinion towards the Training and Development Programme.
- To study the various methods of Training and Development Programme carried out in company.
- To analyse the need for Training and Development to be introduced company.
- To provide suitable suggestions for improving the effectiveness of Training and Development Programme.

LIMITATIONS OF THE STUDY:

- The researcher has conducted the study within a limited duration, so a detailed and comprehensive study could not be made.
- The information gathers depends on the attitude of the employees at the time of interviewing.
- The sample size was confined to 150 respondents, so this study cannot be regarded as full proof one.
- Some of the respondents were busy with their schedule, so it was very difficult for the researcher to convince and get feedback from the respondents.

III. METHODOLOGY**• Employee Training**

Training is the organized way in which organizations provide development and enhance quality of new and existing employees. Training is viewed as a systematic approach of learning and development that improve individual, group and organization. The series activities embarked upon by organization that leads to knowledge or skills acquisition for growing purposes. Thereby, contributing the performance of human capital, organization, as well as the society at large. Training serves as an act of intervention to improve organization's goods and services quality in stiff the competition by improvements in technical skills of employees.

• Employee Development

Development activities leading to the acquisition of new knowledge or skills for purposes of growing. Organizations provide employees with development programmes in order to enhance their capabilities. Employee development is gaining an increasingly critical and strategic imperative in organizations in the current business environment. The organizations need to invest in continuous employee development in order to maintain employees as well as the organization success.

• Employee Productivity

Productivity as defined in Oxford dictionary (2007) is the efficiency with which things are being produced. Employee productivity however is the measure of output per unit of input economically. It is the log of net sales over total employees. Employee productivity of an economy as whole or industry could be determined.

Suggestions:

- Training programme could be more focused on improving the job knowledge of the trainees. Training could be tailor made to address the immediate job assignment of trainees in different streams / areas of work and also based on their exposure etc.
- Training programme should include off the job (theoretical) modules followed by on the job (practical) modules, as the preferred way by most trainees.
- Trainee's performance in training programme could be linked to the trainees career development, in terms of various options of choosing the jobs available, i.e, the topper gets to choose the job he/she prefers among all the posts available, the next one gets all choices minus the one chosen by first... the last one has only one post to choose. Other options could be to link the promotion / performance bonus to trainee's performance in training, preference to further higher studies etc.
- Training module should focus specific attention to the techniques of scrap reduction, so that more people are made aware of the ways to reduce scrap and wastage, thereby improving productivity.

IV CONCLUSION

This study provided a review of the literature on human resource training and its effect on firm performance, and it developed and proposed a framework for analysing training and firm performance issues in order to assess the advantages and disadvantages of many previous studies (e.g., research design, measurement of variables and firm performance or estimation method), to suggest directions for future research, and improve the accuracy of the research results in the future on this topic.

The paper reviewed the important theoretical models and proposed a framework for analysing training and firm performance issues. Data from previous studies were used to assess the effects of training on firm performance. There were two approaches to gauge the impact of training on firm performance, namely the studies that use firm level data from a large sample of firms and the case study approach. Based on the firm performance measures used in previous studies firm performance was classified into financial firm performance and non financial firm performance. The review offers new directions for future research that has potential to guide practitioners and managers to decide on their human capital investment plans and provide training for their employees.

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