



Research Article

THE IMPACT OF TRAINING AND DEVELOPMENT ON EMPLOYEES' PERFORMANCE (A CASE STUDY OF MILLICOM GHANA LIMITED—TIGO)

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ABSTRACT

The backbone of any business is its employees. The firm's success or otherwise depends on the performance of its employees. Hence, top management is much aware of the significance of investing in training and development in order to improve the performance of employees. The purpose of this study is to find out the impact of training and development on employee's performance. Data collection is done using the questionnaire and the simple random sampling method. With the use of the Regression method for data analysis, it can undoubtedly be seen from the results that proper training and development has a significant impact on reducing employee's turnover, increasing the employee's job satisfaction and morale as well as contributing to higher productivity and financial returns to the organization.

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INTRODUCTION

The Ghanaian public and private sectors are encountering a major phase of decline with regard to the delivery of services. This has seen a notable exodus of available skills and reduced investment in human capital development, which is in addition to the severe shortage of skills in the various sectors. The sectors, moreover, are in need of intermediate artisan skills, which can be solved by a tremendous investment in human capital and workplace exposure which can increasingly develop interpersonal, analytical and artisan skills. Against this background, Millicom Ghana Limited (TIGO), like most private sector companies is affected by the canker of weak delivery in services, with employees in the organization not executing their duties up to the expected standards. Employees, who own the reputation of a company and can adversely affect its profitability, are the most valuable asset of every company (McKinsey Quarterly, 2006). Employees, more often than not, are responsible for the majority of necessary work to be done as well as customer satisfaction, the quality of events and products.

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Both old and new employees do not develop the necessary set of skills for task accomplishment at their optimum potential without proper training and development. Properly trained and developed employees help in job retention longer than those who do not. Training and development is inevitable in the workplace. Employees without proper training and development lack a firm grasp on their duties and responsibilities. Training and development, according to (Shaw, 2011) is a process that provides employees with skills, information and understanding of the organization and its goals. Training and development helps employees in making the positive contributions that are necessary to the success of an organization in terms of his / her good performance on the job. Training is of much significance in achieving the objectives of the organization by keeping in view the interest of employees and organization (Stone, 2002). Training includes but not limited to software training, management training whereas development focuses primarily on the activities that improve employee skills for future endeavours. Firms are now facing new changes due to the rapid pace of technological and global development. Technological advancements have brought about the need of competencies and capabilities needed to perform a specific task. In order to manage these challenges, more enhanced and efficient training programs are needed by all corporations.

Effective training programs help in building a learning environment that is very conducive for the workforce and train them to deal effectively with the foreseeable challenges in time and more easily (Tai, 2006). There is enough evidence to support the assertion that training activities impact positively on the performance of individuals and teams. Training activities are of immense benefit at both the individual and team level (e.g., motivation, attitudes and empowerment) (Herman Aguinis and Kurt Kraiger, 2009). According to Brinkerhoff (Brinkerhoff, 2006) managers are doing everything possible within their means to develop the capabilities of employees, eventually creating a conducive working environment within the organization. Managers equip their employees with the requisite knowledge, skills and abilities to obtain organizational goals by developing effective training programs for them. This struggle by the top management not only creates positive image of the firm worldwide but also improves the employee performance (Lu, 2010). Effective training programs enable employees to acquaint themselves with the required new advancements in technology, also gaining full command of the skills and competencies necessary to carry out a specific task and to avoid mistakes on the job (Gunter Walden, 2011). Training and development result in improved level of job performance and other positive related changes (e.g., acquisition of new skills; (HILL, 2006; Satterfield, 2007) that serve as antecedents of job performance.

Out of the numerous functions of human resource management, the most crucial is employee development through proper training and development programs. Employee development refers to the capacity and capability building on an employee, and thus as of whole organization, to meet the standard performance level (Gilley, 2000). The more developed the employees the better satisfied they are with their job, hence increasing the productivity and profitability of the firm. Beardwell and Holden (Reilly *et al.*, 2014) spelled out the following reasons for training and development of employees by an organization:

- That in some instances, new employees are like unprocessed products; they need processing to be able to adequately carry out the task of their jobs effectively, to fit into both their work-group and the organization.
- That new jobs and tasks may be introduced into the organization which may need to be filled by readily available employees who need redirection.
- That the interests, aspirations, confidence, skills and circumstances of people themselves change.
- That there may be movement of jobs among employees within the organization be it on promotion or other reasons in order to widen their experiences and so may need further training.
- Organizational context may change or be changed over time, so there will be the need for employees to be undated in their ways of working together.
- That management requires training and development so there is the need for further training and development for managers, management succession and the development of potential managers.
- The organization may require some employees to develop transferable skills due to its readiness and preparedness for future change.

From the above outlined reasons by Beardwell and Holden (Beardwell *et al.*, 2008), it is undoubtedly clear that training and development are indispensable for organizations that hold keen interest about being the leader in the industry and winning the hearts of their customers.

Training and development programs

According to Grobler, Warnich, Carrel, Elbert and Hatfield (Grobler *et al.*, 2004), there is the need to first determine the training needs. In this way, both parties require a primary “communication-linking process”. Training must be made in such a way that it is in accordance with the job descriptions of employees and that it covers their performance-development needs and also in consonance with their job descriptions. In order to come out with programs that are yet known to the employees, both the employer and the employee have to work together. Training methods that exert an impact on the job must also be identified so that an employee can be trained in order to occupy that specific gap. The employee should be given the chance to make decisions related to his/her training, while employers must afford their employees avenues to enhance their basic skills in order to help them cope with situations that are of much complexity. A minimum of 40 hours of training a year for every employee is ideally recommended by the American Society for Training and Development (Kreitner *et al.*, 2004). To add to the earlier arguments, McConnell (2004) in determining training needs, as well as involving the employees in setting up training goals, supports a collaborative approach between the employees and their companies. Not only will employees support the training programs by being involved, but will also enhance their morale. Training, a life-long process, must be continued beyond the initial qualification.

Factors that affect employee performance

Anderson (2003) pointed out that the following factors hinder the performance of employees in increasing productivity:

Experience

Bringing on board employees that lack the required expertise for the job is one of the major factors that affect performance (Anderson, 2006). Employees' knowledge, expertise and background can be enhanced through training. If adequate training is offered an employee, yet can't perform to the expected standard, it could mean that the employee lacks the necessary knowledge and experience required for the job.

Work-home balance

Though employers may not want the personal life of an employee to affect their jobs, some employees are affected by their personal life problems which hinder their performance. Managers need to pay some level of attention to the personal problems of employees and must be prepared to discuss it with them as and when it becomes a necessity. If an employee, at a point in time needs time off to ponder over personal problems, companies must do well to grant such an employee the time off to prove that the company holds its employees in high esteem (Anderson, 2006).

Manager's interaction

If managers fail to give feedback to employees, such employees will be at a loss as to how to rate their performance. Managers should be ready to provide both negative and positive feedbacks to their employees. In case such feedbacks are negative, the manager together with the employee should devise programs and strategies that will help in addressing the shortcomings in the performance. The performance of employees is improved easily when employees are aware of the rights and wrongs that they do (Anderson, 2006).

Goal setting

In order to help improve the performance of employees, employers are required to give employees goals and targets that are achievable. When those targeted goals are met by the employee, it helps him or her to understand that he is doing exactly what is expected from him/her at the minimum. Performing to the minimum standards show whether or not the employee is doing what is supposed to be done. It will also help in creating incentive packages that will motivate employees to exceed the set target and goals (Anderson, 2006)

Relationship between Training and employees performance



Source: Raymond A. Noe, Employee Training and Development (Fifth Edition)

Figure 1. Relationship between Training & Development and Performance

Most researches provide a strong evidence to support the assertion that human resource management practices and organizational performance have a strong positive relationship (Purcell *et al.*, 2003). Guest (2007) outlined in his study that one of the most important human resource management practices that affects the quality of the workers knowledge, and thus enhances a higher on the job performance of employees is training and development programs. This ultimately gives a higher organizational performance. It can be seen from the results of varied researches that training and employee performance have a positive correlation between them. Harrison (Harrison, 2000), depicted in his work that learning through training is said to be a key factor in increasing employees performance, achieving corporate goals and also influencing the performance of the organization. According to Swart *et al.* (2005), performance gap of employees can be bridged by implementing a relevant training method in order to develop particular skills and abilities of the workers thereby enhancing the performance of employees. He went further to elaborate that training helps organizations to recognize whether or not employees are performing in order to devise strategies that will help in shaping the knowledge, skills and attitudes of the employee.

Various factors such as inadequate motivation, personal life conflict as well as lack of confidence may affect the performance of an employee. Firms are therefore advised to consider those factors when selecting appropriate training interventions for their employees in order to enhance the motivational level of employees, to help them participate and meet the desired goals of the organization. Swart *et al.* (2005) further mentioned that employees perform better when they are given adequate and appropriate training programs that motivate and also lead them to fulfil their needs. According to Wright and Geroy (2001), effective training programs change the competency level of an employee positively. It improves the skills, attitude, knowledge and the overall performance of the employees to perform their assigned jobs effectively which contributes immensely to an increase in organizational performance.

Training helps in developing the competency level of employees and also enables them to perform their given task in an efficient and competitive manner. However, certain environmental factors such as organizational structure, corporate culture, performance appraisal systems, job design, power and politics affect the performance of employees in an organization. Performance of employees decreases when any of the above mentioned factors go against them and not necessarily due to their lack of relevant knowledge, skills and attitude.

For effective training to yield positive results on employee performance, certain important factors as mentioned earlier should be considered. Bartel (2004), points out that effective training programs and high productivity on the part of employee are positively correlated. However, in order to make it feasible, (Swart *et al.*, 2005), managers have the responsibility to identify factors that hinder the effectiveness of a training program and should devise strategies to neutralize their effect on higher employee performance. Additionally, Ahmad and Bakar (2003), suggested that if training, both on individual and organizational level is achieved, it brings high level of commitment on the part of employees. These assertions are in agreement with the research results of (2014). It can generally be argued that effective training programs impact positively on the employee outcomes notably job satisfaction, motivation, and organizational commitment.

Training, according to Serkan and Emir (2014), should be planned in such a way that it results in the commitment of the organization. Mthokozisi and Clifford (2015) on the hand proposed that commitment of employees is as a result of some human resource practices such as career development and training opportunities as well as promotions and succession planning. When these practices are well catered for, they bring higher employees performance. Although the above literature gives enough evidence to buttress the positive effects of training and development on employee performance, Uma and Murali (2016) outlined that management of organizations most often than not hesitates when investing in its human resource due to diverse reasons. Sometimes, after effective and timely training programs are given employees, they intend to cash it for the sake of their own employment opportunity and market value or they are ready to change jobs simply because of increase in salaries, which makes a firm's investment in training a cost rather than been profitable.

Table 1.

Reliability Statistics	
Cronbach's Alpha	N of Items
.604	5

Table 2.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.563
Bartlett's Test of Sphericity	Approx. Chi-Square	39.588
	df	10
	Sig.	.000

Research Objective

- Outlining the employee training and development delivery methods of the organization
- Accessing the impact of these training and development methods on employee performance

RESEARCH METHODOLOGY

A self constructed questionnaire designed into ten questions using the five likert scale is prepared for this particular study on the impact of training and development on employees performance. The first five questions deal with the training methods whilst the remaining five deal with the impact of training and development on employees performance. The questionnaires were distributed among the target population comprising of management members and staff using the simple random sampling method to maintain the validity of the content. A period of six weeks was used to distribute and collect the questionnaires from respondents. In all, a total of sixty-five (65) questionnaires were distributed among respondents of a customer service centre of the mobile operators TIGO (Ghana). Out of the sent out questionnaires, sixty (60) were received out of which twelve (12) were discarded after the reliability and validity tests were conducted on them.

Table 3.

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.007	40.133	40.133	2.007	40.133	40.133
2	1.228	24.555	64.687	1.228	24.555	64.687
3	.739	14.780	79.467			
4	.708	14.158	93.625			
5	.319	6.375	100.000			

Table 4.

Component Matrixa		
	Component	
	1	2
VAR00001	.570	.518
VAR00002	.688	-.540
VAR00003	.867	-.145
VAR00004	.661	.138
VAR00005	.139	.793

Table 5. Dependent variable: v6

Coefficientsa						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.417	.135		25.395	.000
	REGR factor score 1 for analysis 1	.298	.136	.309	2.191	.034
	REGR factor score 2 for analysis 1	-.092	.136	-.095	-6.777	.502

Table 6. Dependent variable: v7

Coefficientsa						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.396	.126		26.880	.000
	REGR factor score 1 for analysis 1	.326	.128	.356	2.556	.014
	REGR factor score 2 for analysis 1	-.006	.128	-.007	-.047	.963

Table 7. Dependent variable: v9

Coefficientsa						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.333	.126		26.537	.000
	REGR factor score 1 for analysis 1	.512	.127	.514	4.031	.000
	REGR factor score 2 for analysis 1	-.077	.127	-.077	-6.06	.548

From the tables above, three formulae were derived as follow: $v_6 = 0.298f_1 - 0.092f_2 + 3.417$ for formula 1, $v_7 = 0.326f_1 - 0.006f_2 + 3.396$ for formula 2 and $v_9 = 0.512f_1 - 0.077f_2 + 3.333$ for formula 3

Forty-eight (48) questionnaire results were then used for the purpose of this work. Data analysis of the work was done using the SPSS.

DATA ANALYSIS

The main method of data analysis is the Regression method. Validity and reliability tests were conducted on the received data prior to its analysis. The reliability test was done using factor analysis whilst the validity test was conducted using the KMO and Bartlett test. These tests proved that the obtained data was valid and reliable and as such can be used. The results of these two tests are as shown below;

DISCUSSION OF RESULTS

Linear regression analysis was done to show the correlation between the factors and the dependent variables. This is evident in the tables below;

The obtained results from the analysis show that, factor 1 has a significant linear correlation on the dependent variables 6, 7 and 9 and also has a little linear correlation on variable 10. Factor 2 has insignificant linear correlation on all the five variables. That is to say, employees believe that off the job training, technology based learning and coaching and mentoring as forms of training and development methods of the organization have a significant impact on reducing employees' turnover, increasing the employees' job satisfaction and morale as well as contributing to higher productivity and financial returns to the organization. It can therefore be confidently concluded that, employees have a strong believe that off the job training, technology based learning and coaching and mentoring as forms of training and development methods have a significant and positive impact on improving employees' performance. The results also show that off the job training, technology based learning and coaching and mentoring have a little significant impact on increasing innovations in strategies and products and therefore have little impact on improving the performance of employees. One thing worthy of note from the analysis is that, job rotation as a training method has no significant impact on reducing turnover, increasing job satisfaction and morale of employees, adding flexibility and efficiency, contributing to higher productivity and financial returns as well as increasing innovation in strategies and products and can be said to be of no impact in improving the performance of employees.

CONCLUSION

Human resource management trends throughout the world are dynamically changing. Employers nowadays are not much concerned about cost cut off but rather on employee's retention. Employers are encouraged to pay attention to employees' training and development in order to keep them motivated due to the need for employees retention. The main reason for employees training and development is to enhance the performance of the employees as well as the performance of the organization. An act that entails growing the skills level and knowledge of an employee so as to perform a specific job is considered as training. The objective of this research is to assess the impact of training and development on the performance of employees in a telecommunication service

provider in Ghana. It is crystal clear from the analysis that proper training and development of an employee impacts positively on both the employee and the organization. Employees believe that off the job training, technology based learning and coaching and mentoring are the forms of training and development methods of the organization and they have a significant impact on reducing employees' turnover, increasing the employees' job satisfaction and morale as well as contributing to higher productivity and financial returns to the organization and they can also be said to have significant impact on employee performance. It is highly recommended for the Ghanaian Corporate sector to understand that not only does training and development impact on employee performance but also on the overall performance of the organization. Organizations are therefore advised to invest in training their employees with the understanding that it is an investment that will subsequently yield positive returns.

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