

TRAINING & DEVELOPMENT – A JUMP STARTER FOR EMPLOYEE PERFORMANCE AND ORGANIZATIONAL EFFECTIVENESS

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ABSTRACT

Human capital is the differentiator between a good company and a great company. Effective training and development is an investment in the human resources of an organization, with both immediate and long-range returns. This literature review based article presents different viewpoints of various authors regarding the significance of training & development for employee performance and organizational effectiveness. Obsolescence among the employees and the need to adapt to the technological, organizational and social changes make continuous learning and updating of skills indispensable for an organization. Firms need to manage training programs more effectively so that they can get the highest returns from their investment. Human capital is an important asset for organizations under intense competition. Training and Development function enables human capital to unleash their dexterity. A profound training program acts as a vehicle to enhance employee skills and enable them to perform better in their job. Training and development is very crucial to the employees, the organization and their effectiveness.

KEYWORDS: Human Capital, Development, Training.

INTRODUCTION

Training and development is very crucial to the employees, the organization and their effectiveness. The organizations have long understood that their most valuable asset is their human capital and many are convinced for large investments in employee training and development. It is an undisputed fact that effective training is an investment in the human resources of an organization, with both immediate and long –range returns. However mere investment is not enough; firms need to manage training programs more effectively so that they can get the highest returns from their investment.

Training holds the key to unlock the potential growth and development opportunities to achieve a competitive edge. In this context, organizations train and develop their employees to the fullest advantage in order to enhance their effectiveness. Performance of an employee is a dependent factor on variables like knowledge, skill and abilities. Training and development provides employees required knowledge, skills and abilities to do a job. Training is a tool to fill the gap and the firms should use it wisely to improve employee productivity.

SIGNIFICANCE OF TRAINING & DEVELOPMENT

Training and development is most effective in motivating and retaining high quality human resources within organization. (Kate Hutchings, Cherrie J.Zhu, Brain K, Cooper, Yiming Zhang and Sijun Shao, 2009). While early research on strategic HRM advocated the development of lists of best practices (Pfeffer 1994), we take as our premise the belief in bundling of high performance work practices or having a system approach to HRM as most effective in ensuring organizational performance. Importantly, it has been noted that training is a key element of the bundles of practices arising from research into high performance work systems.

During 1980s, Japanese management practices clearly revealed that business success based on high standards of performance was dependent on a highly trained and developed workforce. (Brown and Read, 1984). Recent research also indicates a causal link between high commitment practices (including training and development) and improvements in an establishment's performance and competitive advantage. (Patterson et al., 1998; Rajan et al., 1996). Lowry, Simon, and Kimberley (2002) concluded that training is a factor that enhances employee commitment and maximizes employee potential. The training process is one of the most pervasive methods for enhancing the productivity of individuals and communicating organizational goals to personnel. (Ekaterini Galanou, constantinos-Vasilios priporas, 2009). Organizational training activities are recognized as being able to become sources of competitive advantage (Barney, 1995) through their impact on employees' productivity (Ng & Siu, 2004). As the need for current and future effective managers increases in all types of organizations, training programs and design tools for the evaluation process become more important (Eseryel et al., 2001; Tennyson, 1999). These statements evidentially make a mention about the importance of Training and Development in organizations.

It has been confirmed that organizations with more progressive people-oriented policies have excelled, leaving the competition behind. This is mainly because when organizations invest in people, in their training, what they get in return is higher skill and greater competence that helps improve morale and productivity (Sheeba Hamid ,2011). As quoted by Kuan Chongtzu, a great man of China: "If you wish to plan for a year: sow seeds. If you wish to plan for ten years; plant trees. If you wish to plan for a life time; develop men".

Training is important at all employee levels, because skills erode and become obsolete over a period of time and need to be replenished (Nishtha Langer and Amit Mehra (2010). It is rightly expressed by Rao (1988) that top management's commitment to the following beliefs and their reiterating them is significant – "Human resources are the most important assets in the organization. Unlike other resources, human resources can be developed and increased to an unlimited extent and a healthy climate, characterized by the values of openness, enthusiasm, trust, mutuality, and collaboration, is essential for developing human resources .

Training and development practices had a positive impact on preparing them to be more effective in their work, increasing their technical abilities, interpersonal abilities, teamwork, job confidence and work motivation (Kate Hutchings, Cherrie J. Zhua, Brian K. Coopera, Yiming Zhangb and Sijun Shao, 2009). Training activity remains a very large part of human resource development (HRD) practice (Nordhaug, 1989). The training process is one of the most

pervasive methods for enhancing the productivity of individuals and communicating organizational goals to personnel. As a planned attempt by an organization to facilitate employee learning, training enhances individual competency by increasing employees' skills (Gritz, 1993) and supporting career advancement (Tharenou, 1997). Furthermore, organizational training activities are recognized as being able to become sources of competitive advantage (Barney, 1995) through their impact on employees' productivity (Ng & Siu, 2004) and their contributions to business objectives (Dobson & Toh, 1998).

Oribabor (2000) submitted that training and development aim at developing competences such as technical, human, conceptual and managerial for the furtherance of individual and organization growth, also Isyaku (2000) postulated that the process of training and development is a continuous one. Man is dynamic in nature, the need to be current and relevant in all spheres of human endeavor's make staff development a necessity, to keep track with current event and methods. Griffin, (1978) Ajibade, (1993) Adeniyi, (1995) and Arikewuyo (1999) have drawn the attention of the entire sundry to the inestimable value of training and development. It is an avenue to acquire more and new knowledge and develop further the skills and techniques to function effectively. Scholars, experts, social scientist and school administrators now recognize the fact that training is obviously indispensable not only in the development of the individuals but also facilitate the productive capacity of the workers. Among other schools that highlighted the usefulness of training are Akintayo (1996), Oguntimehin (2001) and Graig (1976). They identified the functions of training as follow: increase productivity, improves the quality of work; improves skills, knowledge, understanding and attitude; enhance the use of tools and machine; reduces waste, accidents, turnover, lateness, absenteeism and other overhead costs, eliminates obsolesce in skills, technologies, methods, products, capital management etc. It brings incumbents to that level of performance which needs the performance for the job; enhance the implementation of new policies and regulations; prepares people for achievement, improves man-power development and ensures the survival and growth of the enterprise.

Training should be designed and delivered to meet the needs of all employees, and employees should perceive that they are being treated fairly and equitably with regard to the training they receive. (Schmidt Steven W. 2009). A research by Kate Hutchings, Cherrie J. Zhu, Brian K. Cooper, Yiming Zhang and Sijun Shao (2009) in China on 310 semi-skilled and skilled workers (technicians) about perceptions of effectiveness of training and development revealed that training and development practices had a positive impact on preparing the employees to be more effective in their work, increasing their technical abilities, interpersonal abilities, team work, job confidence and work motivation.

CONCLUSION

Training and development ultimately upgrade not only the performance graph employees but also of the organization. It has been rightly said, employee development is the key to sustain organizational development. The 21st century will belong to those organizations, which are able to learn faster than their competitors. Training improves the drive, initiative and quality of work of the employees thus assist them to be more committed to achieving the goals and objectives of the organization and this has the tendency of enhancing effectiveness among employees within the organization.

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