

The Impact of Training and Development on Organisational Performance

Nur Shafini Mohd Said^{1*}, Nuron Wahida Abd Halim², Suhaily Maizan Abdul Manaf³, Nur Dalila Adenan⁴

^{1,2,3,4}*Faculty of Business and Management, Universiti Teknologi MARA Cawangan Terengganu, Kampus Dungun, 23000 Dungun, Terengganu, Malaysia*

Author's Email Address: ^{*1} nurshafini@uitm.edu.my, ² nuronwahida@yahoo.com,
³ suhailymaizan@uitm.edu.my, ⁴ nurdalilaadenan@uitm.edu.my

Received Date: 13 May 2022

Accepted Date: 20 June 2022

Revised Date: 27 June 2022

Published Date: 31 July 2022

*Corresponding author

ABSTRACT

Since good human resources are a benefit to any organisation, training has evolved into a concern that all organisations must deal with. Without continuous staff training and development, an organisation cannot grow in the highly competitive climate of today. The purpose of this study is to determine the impact of training and development on organisational performance in order to figure out how the training and development (on-the-job training, off-the-job training, job rotation) can impact organisational performance. The study has been conducted at three selected departments in a government office, which are Management Services, Corporate, and Human Resources Management. The quantitative approach has been adopted, in which a questionnaire has been used to collect and analyse data. 103 questionnaires have been distributed by using Google Form to respondents and returned to the researchers with complete information. The reliability and validity have been checked by using the SPSS and the results have been evaluated. The findings indicate that all three hypotheses are accepted.

Keywords: *job rotation, training and development, off-the-job training, on-the-job training, organisational performance*

INTRODUCTION

Training is the most important component of human resource management when it comes to making the best use of human resources as they are an organisation's most important asset (Mahapatro, 2022). It may occur in a variety of situations, either on- or off-the-job, and inside or outside the organisation. Training enhances knowledge and information about a specific field as well as improves opportunities to network (Wang et al. 2021).

According to Vidyavihar (2019), training is a process within a short period that uses a systematic and orderly approach, in which non-managerial staff or personnel acquire expertise and skills for specific purposes. Meanwhile, development is a process within a long period that uses a systematic and orderly approach, in which managerial staff or personnel acquire concepts or theories of expertise and skills for general purposes. In today's business world, training is a key aspect because it improves the productivity and efficacy of both employees and organisations. Employee performance is influenced by several factors in training and development such as On-the-Job Training, Off-the-Job Training, and Job Rotation.

Organizational performance, income, and competitiveness are all impacted by training. Unfortunately, the majority of governmental, corporate, and multinational organisations are unaware of the value of training to increase employee productivity. As a result, many of these organisations desperately try to reduce their training costs whenever the economy is bad or profits are down. This will result in a high rate of employee turnover, which will raise the expense of hiring new workers and lower organisational profitability (Amir Elnaga & Imran, 2013).

The research objectives are as below: -

1. To identify the relationship between On-the-Job Training and Organizational Performance.
2. To measure the relationship between Off-the-Job Training and Organizational Performance.
3. To determine the relationship between Job Rotation and Organizational Performance.

LITERATURE REVIEW

Organisational Performance

Garavan et al. (2020, as cited in Abdul Rauf et al., 2020) have stated that organisations have affected the social, economic, and political progress of a country. Specifically, for this reason, in the last 22 years, researchers who focused on the analysis of different organisations and institutions were awarded noble prizes, which were almost six Nobel prizes distributed for this effort. The most significant variable in management research was organisational performance, which was possibly the most important indicator. As the performance measurement was in different sectors and industries, it was not easy to determine and access the performance of employees, hence, there was no general definition compared to the value of the degree of performance.

According to Hickman and Silva (2018, as cited in Nadeem Khalid et al., 2019), organisational performance lies at the core of every management as there remains no purpose of existence for business entities if they do not perform as per established goals and objectives. Many businesses strive to look into diverse prospects to help maintain and/or boost organisational performance. Besides, Adeyi and Okere (2018) have stated in their article that employee performance relies on determinants like job satisfaction, knowledge, and management; however, there exists a connection between training and performance. This expresses that worker performance is vital for promoting the performance of an organisation, hence, training and development (T&D) is valuable for workers to develop their performances. This can only be possible if the employees are effective in their jobs, therefore, training and development of the employees are inevitable.

Organizational performance occurs when each person is focused on acquiring the necessary knowledge, enabling them to achieve the goals with the least amount of effort and resources permitted by the organization's standards. Long-term procedures that promote healthy behaviour inside the business and cooperative engagement from managers and employees are all part of organisational development.

Organizational performance and development are strongly related; an effective organisation cannot exist without a strong development strategy (Burhan et al.,2021).

Training and Development

According to Raza (2015, as cited in Mohammed Sani et al., 2018), employee training and development is one of the major issues being debated nowadays because this helps organisations in a number of ways. The daily performance of businesses and day-to-day maintenance is needed to be done by some workers or employees. This can only be done when there are proper training and development sessions held for the employees.

According to Abiodun (2010, as cited in Butali & Njoroge, 2017), training is a structured development of expertise, skills, and attitudes required by employees to perform adequately on given tasks. Employee training and development are seen as the most important formation of any competent management. Development refers to learning opportunities designed to help employees grow. Such opportunities do not have to be limited to only improving employees' performance in their current jobs. Development has a long-term focus to help the employees to prepare for future work demands while training focuses on the immediate period to help fix any current deficits in employees' skills (Bernadin & Russell, 2013).

As a result, training involves making plans to prepare various learning strategies for the staff in an effort to improve their capacity to accomplish the desired result (Burhan et al.,2021). Development, in contrast to training, which takes place right now and covers every single staff member's responsibilities, attempts to comprehend the mechanisms of things and future difficulties rather than just existing processes generally (Anwar & Ghafoor, 2017). It also occurs over a longer period of time.

On-the-Job Training

On-the-Job Training (OTJ) is a technique of providing training to employees while they are at work in their working environment. The goal of this training is to familiarise the employees with typical working conditions, which means that, during the training period, the workers will be directly involved in using machinery, equipment, devices, materials, and so on (Enga, 2017). In addition, it also aids the employees in determining how to deal with problems that may arise over the course of their work. The most important aspect of this training is learning by doing, in which a supervisor or experienced staff demonstrates to the trainees how to complete specific tasks. Newbies or unskilled employees learn through observing fellow employees or managers doing their jobs and attempting to imitate their activities. These approaches are less expensive and less disruptive because the employees are always on the job, training is delivered on the same machines, experiences are based on the established standards, and the trainees are learning while earning (Raheja, 2015).

According to Armstrong (1995), on-the-job training entails teaching trainees lessons by skilled and experienced staff members that are relevant to the job and do not deviate from the nature of the job, as well as organising it in other ways by creating seminars or an efficient distribution between staff members to teach one another collectively (Anwar & Abdullah, 2021).

In the meantime, according to Torrance Hogarth et al. (2008, as cited in Chepkosgey, Namusonge, Sakataka, Nyaberi, & Nyagechi, 2015), on-the-job training increases production because inspired and well-

trained people produce more, have a more flexible working schedule, and are off duty less frequently. On-the-job training can increase worker safety, reduce job revenues, create a flexible workforce, and give business personnel who can adapt to new technology.

Off-the-Job Training

On the other hand, Off-the-Job Training is a training method in which workers or employees learn their job roles away from their actual working environment. Simply said, off-the-job training is an area set apart for training that is specialised in a single workplace, where employees are required to discover their abilities and become well-equipped with equipment and techniques that will be employed on that specific work floor. According to Raheja (2015), off-the-job training methods are used to take place outside the workplace, study materials are provided, entire attention is placed on learning rather than performing, and there is freedom of speech. Lectures and conferences, vestibule training, and sensitivity training are all important means of off-the-job training.

It is vital to say that lectures and conferences are the most effective and direct teaching methods. According to Ahammad (2013, referenced in Amoah-Mensah & Darkwa, 2016), these strategies are employed when a large number of people are taught a large number of materials or when training topics are extensive. Commonly, a lecture and conference are a typical part of every training programme, which is a spoken presentation to a large audience. However, lectures, on the other hand, must be motivational and engaging for students. To materialise this, a speaker must have extensive knowledge of the subject. Lectures and seminars are comparatively the most popular training modalities utilised in colleges and universities.

Job Rotation

Job Rotation is one of the most essential types of education since it is thought that the most important success factor in modern organisations is the quality of the workforce, which can be attained through job training (Akbari & Maniei, 2017). Job rotation attempts to broaden workers' experiences by rotating them from job to job or department to department, according to Chepkosgey, Namusonge, Sakataka, Nyaberi, and Nyagechi (2015). Unless carefully planned and regulated, it can either be an ineffective or frustrating technique for gaining extra knowledge and abilities. Furthermore, according to Armstrong (2010, as stated in Chepkosgey, Namusonge, Sakataka, Nyaberi, & Nyagechi, 2015), job rotation is a system by which individuals rotate between many occupations in an organisation, each for a relatively short length of time. Typically, job rotation entails shifting jobs.

According to Sree and Basariya (2019), employees would be provided training on various job duties. This will aid in comprehending the challenges of various job responsibilities as well as gaining new job abilities. In other terms, it is the practice of rotating people through a sequence of similar tasks.

Theoretical Framework

This study shows the conceptual framework, as follows:

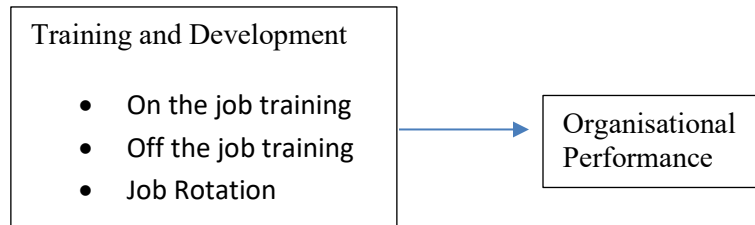


Figure 1: Theoretical Framework

Based on this research, alternate hypotheses have been used to be tested.

H₀: There is a positive relationship between on-the-job training, off-the-job training, and job rotation toward organizational performance

On-the-Job Training

H₁: There is a positive relationship between on-the-job training and organizational performance.

Off-the-Job Training

H₂: There is a positive relationship between off-the-job training and organizational performance.

Job Rotation

H₃: There is a positive relationship between job rotation and organizational performance.

METHODOLOGY

Correlational research has been chosen by the researchers because it aims for a link between two or more unmanipulated variables. To put it in another way, it is a study by which the researchers have attempted to find a link between factors that influence training and development and organisational performance.

The sampling frame has been created by using a list of personnel from the Kelantan State Secretary Office (SUK) Management Services Department, Corporate Department, and Human Resources Management Department. The sample population and sample size calculation for the analysis has been provided by Krejcie and Morgan (1970) by using the sample-size table. As the study's population is 140, the respondents' sample size is 103.

For this study, cluster sampling was used. This is because cluster sampling divides the entire population into groups or clusters. Following that, a random sample of these clusters has been collected, and all of them have been used in the final sample (Wilson, 2010). The questionnaire has been circulated at random for this study to guarantee that there have been enough employees participating. This research has included 103 personnel from three departments, namely Management Services, Corporate, and Human Resource Management, including Clerks, Chief Clerks, Executive Officers, Chief Executives, Operations Officers (OOs), and Administrative Office Staff. The questionnaires have been randomly distributed to the various departments, notwithstanding the employees' roles.

The data for this study was collected through the distribution of the questionnaires, which have been disseminated to the employees by utilising the Google Form Questionnaire, of which the link has been shared with them. The researchers have been able to disseminate the questionnaires directly to the respondents and receive responses on time by employing this method. The data was then keyed in and analysed by using the Statistical Package for Social Science (SPSS) to unveil the results of this study.

RESULT AND DISCUSSION

Reliability Analysis

The questionnaires have been distributed to the respondents via Google Form and their reliability has been assessed by using the reliability analysis to measure and test the reliability of the questions and variables pertaining to the questionnaire. The Cronbach's Alpha coefficient size rule of thumb (Hair et al., 2015) has been utilised as a guideline.

Table 1 shows that Cronbach's Alpha is 0.938, which is an excellent and acceptable result. Based on the table above, it is shown that Organisational Performance has the highest Alpha value, which is 0.958, followed by On-the-Job Training with the value of 0.908, and Off-the-Job Training with the value of 0.907. The lowest value is 0.715, which belongs to Job Rotation.

Table 1 Questionnaire Reliability

Variables	No. of Items	Alpha Values
On-the-Job Training	10	0.908
Off-the-Job Training	10	0.907
Job Rotation	10	0.715
Organisational Performance	10	0.958

In the meantime, Table 2 shows the distribution regarding the gender of the respondents. According to the statistics, the percentage of male respondents is 46.6% (N=48) while 53.4% (N=55) of the respondents are female. Thus, it is evident that the majority of the respondents are female.

Table 2: Demographic

	Frequency	Percentage (%)
Gender		
Valid Male	48	46.6
Female	55	53.4
Total	103	100.0
Age		
Valid 18-29 years old	24	23.3
30-39 years old	47	45.6
40-49 years old	21	20.4
50 years old and above	11	10.7
Total	103	100.0
Service Duration		
Valid 1-5 years	41	39.8
6-10 years	22	21.4
11-15 years	25	24.3
16 years and above	15	14.6
Total	103	100.0
Income Range		
Valid RM900-RM2,000	39	37.9
RM2,001-RM3,000	32	31.1
RM3,001-RM4,000	20	19.4
RM4,001 and above	12	11.7
Total	103	100.0
Department		
Valid Management Services	36	35.0
Corporate	34	33.0
Human Resource Management	33	32.0
Total	103	100.0

Besides, the table also displays the distribution regarding the age of respondents, of which the percentage of the 18-to-29-year-old respondents is 23.3% (N=24), and the percentage of the respondents aged between 30-39 years old is 45.6% (N=47). Meanwhile, the percentage of the respondents aged between 40-49 years old is 20.4% (N=21), and the percentage of the respondents aged 50 years old and

above is 10.7% (N=11). Thus, it is clear that the majority of the respondents come from the age range between 30 and 39 years old.

In the interim, the distribution regarding the Service Duration of the respondents shows that the percentage of the respondents that have served for a period between 1 and 5 years is 39.8% (N=41), and the percentage of the respondents having served for the organisation for a duration between 6 and 10 years is 21.4% (N=22). Meanwhile, the percentage of the respondents having worked for a period between 11 and 15 years is 24.3% (N=25), and there are 14.6% (N=15) of the respondents who have had the experience of working for the organisation for 16 years and above. Thus, it is obvious that the majority of the respondents have worked for the organisation for a duration between 1 and 5 years.

In addition, the table also shows the distribution regarding the income range of the respondents. The percentage of the respondents earning an income between RM900 and RM2,000 is 37.9% (N=39), and there are 31.1% (N=32) of the respondents who earn an income between RM2,001 and RM3,000. Meanwhile, 19.4% (N=20) of the respondents earn an income range between RM3,001 and RM4,000. However, only 11.7% (N=12) of the respondents earn an income starting from RM4,001 and above. Thus, it is apparent that the majority of the respondents earn an income ranging from RM900 to RM2,000.

Lastly, the table above also shows the distribution regarding the departments of the respondents, where 35.0% (N=36) of the respondents are from the Management Services Department, 33.0% (N=34) are from the Corporate Department, and 32.0% (N=33) are from the Human Resource Management Department. Hence, based on the table above, it is crystal clear that the majority of the respondents are from the Management Services Department.

Relationship Analysis (Correlation Analysis)

For this study, Pearson's correlation has been discussed in this section. It has been used to measure a relationship between two variables, according to Zikmund (2003), which is consistent with Sekaran and Bougie (2013) who have stated that a correlation explains the difficulty of a relationship between two variables.

Table 3 displays the correlation between the three variables used in this study. The independent variables, which are on-the-job training, off-the-job training, and job rotation, are correlated with the dependent variable, which is organisational performance. Based on the results generated, it is clear that the values of 0.771, 0.703, and 0.829 exhibits two strong correlations and one very strong correlation.

Table 3: Analysis of Correlation

Variables	Mean	Standard Deviation	Pearson's Correlation
On-the-Job Training	43.0200	4.91746	0.771**
Off-the-Job Training	43.6900	5.46928	0.703**
Job Rotation	43.0400	5.98976	0.829**
Organisational Performance	44.1500	5.37178	

*. Correlation is significant at the 0.05 level (2-tailed)

Among the variables, the highest value recorded is the value of a correlation between job rotation and organisational performance, which is 0.829. This indicates that there is a positive relationship and a very strong correlation between both variables. Meanwhile, the correlation value of the relationship between on-the-job training and organisational performance, which is 0.771, and the correlation value of the relationship between off-the-job training, which is 0.703, show that both relationships also have a positive, strong relationship.

As a whole, the verdict shows that all the three variables, which are on-the-job training, off-the-job training, and job rotation, have a significant relationship with the dependent variable.

CONCLUSION

The researchers are able to summarise that all the proposed research objectives are achieved and all the independent variables have a positive relationship with organisational performance. Based on the analyses conducted, it is evident that the results have indicated that there is a positive relationship between the three variables. This shows that all three independent variables display two significant relationships and one insignificant relationship with organisational performance. For the correlation coefficient, the highest value between the variables belongs to job rotation (0.829), followed by on-the-job training (0.771) and off-the-job training (0.703). Overall, the result shows that the independent variables have a relationship with the dependent variable. It means it increases the overall organizational performance.

Besides, this chapter also explains the objectives, either related to the study or not. According to the data analysis, the relationship between training and development and organisational performance among the staff is very strong. As the researchers have distributed the questionnaires and analysed the results, it is found that there are three hypotheses showing a positive relationship between Training and Development and Organisational Performance among the staff of the Kelantan State Secretary Office (SUK).

Based on the findings, the results indicate that there is a very strong relationship between the dependent variable and the independent variables. This means that the employees' performances might have been affected if the organisation has not taken any actions to increase the performance of the employees of the Kelantan State Secretary Office. As the State Government, the Training and Development Department is responsible to develop the employees' performances. Hence, the management of the Training and Development Department should think and utilise various methods to improve the performance of the employees, especially in providing training to the employees.

There are some approaches which can be implemented to improve training among the employees. For instance, the management should provide opportunities to the employees to share their knowledge on-the-job through training sessions, mentoring other teams, doing oral presentations, and giving team assignments. This is because, as workers, the employees would love to share what they know and training is one of the best platforms known for sharing and learning.

Besides, the management should also encourage the employees to participate in seminars or workshops provided by the organisation. This is because there are more activities in the seminars, which can be an effective and collaborative medium for sharing knowledge and skills between the employees from different organisations, and this can certainly help the employees to build their self-esteem. On top of that, the seminars or workshops provided by the organisation would even be more interesting if outdoor activities are also included to attract employee participation to join them.

Last but not least, skills and knowledge are important elements in shaping high-quality staff. Hence, the exchange of jobs or assignments among the staff in an organisation will be able to help further develop their skills and knowledge. Therefore, the management should re-organise the duties of the staff by listing the duties of every staff in the organisation before deciding to make job changes among the staff.

All in all, implementing these suggested methods can help many organisations to further skyrocket not only the performance of their staff but also the organisational performance as well as provide better services and management. It is feasible to research the various organisational departments to determine which ones require additional training and development. One can perform a study on various sorts of training and development programmes and analyse how gender-focused studies can yield varied results.

ACKNOWLEDGEMENTS

The authors would like to express the deepest appreciation and special gratitude to Universiti Teknologi MARA, colleagues, and all those who have assisted in completing this paper, contributed to stimulating suggestions and encouragement, and helped to coordinate this project, especially in the writing of this research paper.

AUTHORS' CONTRIBUTION

Nur Shafini Mohd Said was in charge of planning the research and preparing the manuscript. The experiments, data analysis, and findings interpretation were all done by Nuron Wahida. The simulations were planned and executed by Suhaily Maizan and Nur Dalila. All of the authors contributed valuable feedback and assisted in the development of the study, analysis, and publication.

CONFLICT OF INTEREST DECLARATION

We certify that the article is the Authors' and Co-Authors' original work. The article has not received prior publication and is not under consideration for publication elsewhere. This research/manuscript has not been submitted for publication nor has it been published in whole or in part elsewhere. We testify to the fact that all the authors have contributed significantly to the work, validity, and legitimacy of the data, and its interpretation for submission to Jurnal Intelek.

REFERENCES

- Abdul Ghafoor Khan, Khan, A., Muhammad, A., Khan, Abdul, R., & Khan, G. (2011). Impact of Training and Development on Organizational Performance. *Global Journal of Management and Business Research Type*, 11. Retrieved from https://globaljournals.org/GJMBR_Volume11/8-Impact-of-Training-and-Development-on-Organizational-Performance.pdf
- Akbari, A., & Maniei, R. (2017). The effect of job rotation on employee performance (case study of dana insurance). *Research Journal of Management Reviews*, 3(1), 21–26. Retrieved from <https://www.rjmrjournal.com/fulltext/paper-29012017113015.pdf>
- Amoah-Mensah, A., & Darkwa, P. (2016). Training and development process and employees' performance in the "chop bar" industry. *Journal of Research and Development (JRnD)*, 1(1), 34. Retrieved from https://www.arabianjbmr.com/pdfs/JRnD_VOL_3_1/4.pdf
- Amir Elnaga, & Imran, A. (2013). The Effect of *training on employee performance*. Retrieved from website: <https://core.ac.uk/download/pdf/234624593.pdf>

- Anwar, G., & Abdullah, N. N. (2021). Inspiring future entrepreneurs: The effect of experiential learning on the entrepreneurial intention at higher education. *International Journal of English Literature and Social Sciences*, 6.
- Burhan Ismael, N., Jabbar Othman, B., Gardi, B., Abdalla Hamza, P., Sorguli, S., Mahmood Aziz, H., & Anwar, G. (2021). The Role of Training and Development on Organizational effectiveness. Ismael, NB, Othman, BJ, Gardi, B., Hamza, PA, Sorguli, S., Aziz, HM, Ahmed, SA, Sabir, BY, Ali, BJ, Anwar, G.(2021). The Role of Training and Development on Organizational effectiveness. *International Journal of Engineering, Business and Management*, 5(3), 15-24.
- Bernadin, J.H. & Russell, J. E. A. (2013). *Human Resource Management: An Experiential Approach*. (6th ed.)New York: Mcgraw –Hill
- Butali, P., & Njoroge, D. (2017). Training and development and organizational performance: The moderating effect of organizational commitment. *International Journal of Scientific Research and Management*, 5(11). <https://doi.org/10.18535/ijssrm/v5i11.06>
- Chepkosgey, C. S., Namusonge, G. S., Sakataka, Dr. W., Nyaberi, D. N., & Nyagechi, A. (2015). The effect of on-the job-training practice on employee satisfaction at Kapsara Tea Factory. *International Journal of Academic Research in Business and Social Sciences*, 5(10). <https://doi.org/10.6007/ijarbss/v5-i10/1858>
- Enga, E. (2017). The impact of training and development on organizational performance. Case study: National Financial Credit. Retrieved from website: <https://www.theseus.fi/bitstream/handle/10024/133220/Engetou%20Enga..pdf?sequence=1&isAllowed=y>
- Khalid, Nadeem, Dewan Md Zahurul Islam, and Marwa Refaat Mahmoud Ahmed. (2019). Sentrepreneurial Training and Organizational Performance: Implications for Future. *Humanities & Social Sciences Reviews* 7(2), 590-593.
- Mahapatro, B. B. (2022). Human resource management. PG Department of Business Management.
- Mohammed Sani, A., Zainab, L. G., & Mu'awiyya, B. I. (2018). Effect of training and development on employee's productivity among academic staff of Kano State Polytechnic, Nigeria. *Asian People Journal (APJ)*, 1(2), 264–286.
Retrieved from <https://journal.unisza.edu.my/apj/index.php/apj/article/view/89>
- Raheja, K. (2015). Methods of training and development. *Open Journal of Business and Management*, 4, 35-41.
- Rauf, A. (2020). Internet tradition and tourism development: A causality analysis on BRI listed economies. *Tourism Economics*, 26(6), 926-957.
- Sree, V., & Basariya, S. R. (2019). On the job training implementation and its benefits. Retrieved August 11, 2021, from ResearchGate website: https://www.researchgate.net/publication/331486221_On the Job Training Implementation and its Benefits
- Vidyavihar, S. (2019). Training and development: process, types and impact. Retrieved from ResearchGate website: https://www.researchgate.net/publication/331802270_Training and Development Process: Types and Impact
- Wang, M., Lin, Y., Tian, Q., & Si, G. (2021). Transfer learning promotes 6G wireless communications: Recent advances and future challenges. *IEEE Transactions on Reliability*, 70(2), 790-807.
- Wilson, J. 2010. *Essentials of business research: a guide to doing your research project*, SAGE Publication.