

The Impact of Training and Development on Employee's Performance on Private and Public Hospitals in Lahore, Pakistan

1. Muhammad Usman Siddique 2. Attique-ur-Rehman 3. S. A. Jafri

1. Asstt. Director Administration, FFMC, Lahore 2. Asstt. Prof. of Management Sciences, UVAS, Lahore

3. Prof of Physiology, FFMC, Lahore

ABSTRACT

Objective: To find out the relationship between the training and development on employee performance in hospitals.

Study Design: Descriptive and quantitative, cross sectional study.

Place and Duration of Study: This study was carried out at National Institute of Business Administration and in private and public hospitals, Lahore from 5th February 2013 to 1st August 2013.

Materials and Methods: The independent variables are training and development and employee performance is dependent variable Hypothesis are proposed. Non-probability and simple convenience sampling used for research purpose. Data was collected from the respondents through questionnaires. About 100 Questionnaires were distributed and collected.

Results: The study states that there is a positive correlation between training and employee performance. The value of R^2 is 0.407 which means that 40.7 % variation in the employee's performance is brought by training and development programs. The value of B_0 is 1.85 which interprets that if there is no investment in training then employee performance will be 1.85. The value of B_1 is 0.407 which means that if there is 1 % change in training there will be 40.7 % change in employee performance.

Conclusion: The subjected study is directly related to the role of training in increasing the performance of employees and it is found that training plays an effective role in enhancing the capabilities of both new and current employees.

Key Words: Training and Development, Employee Performance, Hospitals

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INTRODUCTION

The main source of competitive advantage in a global market is knowledge, improved capabilities and skill of the talented workforce. Training has the valuable role to promote the organization goals by adding the interest of organization and their concerns^{1,2}

Now a day's the best ever factor in the world of business is training because training not only enhance the effectiveness and efficiency of employees but also increases the organizations performance². The performance of the employee depends upon many factors but the best factor is training because it increase the skill of the individual, which can be helpful in future to get promotion and also a valuable asset of the organization³.

Hospitals provide training to their employees so as to improve their skills and competencies to do a job in a better way. Firms invest in their workers for improving and building their skills to face and cope with the unexpected unstructured problems in the future in today's most uncertain scenario where nothing is

certain. In turn when employees feel the organization is putting efforts in them, they in turn also apply their best efforts in helping the organization to achieve its goals and show high performance on the job.⁴

The trainees are given real time case studies of real or imagined events in a hospital to study, analyze and give an opinion under the supervision of seniors⁵. The main purpose of training is to help the trainees think logically and try to develop their personality in such a way that in these type of circumstances they analyze alternative course of action⁶.

Achieving of specified goal within the prescribed sets of standard is called performance. The way to increase the individual's performance is competitiveness and productivity apart from effectiveness and efficiency⁷. Best performance means that how much your employee is aligned with the assignment given by the management. There are always expectations from employees that they will perform better and when they do so they are termed as good performers⁸.

MATERIALS AND METHODS

It has been observed in developing skills the literature review that training has its significant impact on

Correspondence: Dr. Muhammad Usman Siddique

Asstt. Director Administration, FFMC, Lahore

Cell No.: 0345624444

Email: muhammadusmansiddiq@gmail.com

employee performance as it helps in, knowledge, abilities, creativity, innovation and attitudes for the development of employees. The following framework has been designed and formulated in order to depict the relationship between training and employees performance.

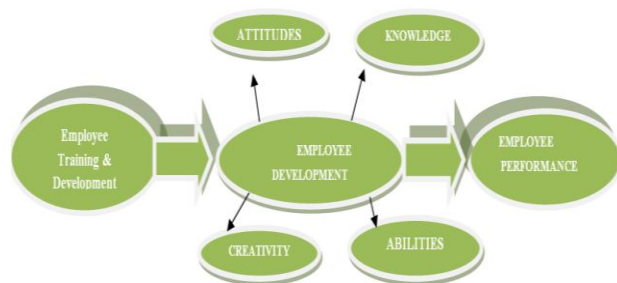


Figure No.1: Theoretical Framework

The independent variables are training and development and employee performance is a dependent variable Hypothesis are proposed.

Ho: There is no impact of training on employee’s performance.

H1: There is a positive impact of training on employee’s performance.

Target population is the employees of public and private sector hospitals, managers or Medical Superintendent of Lahore. I used non-probability and simple convenience sampling for my research purpose. Data was collected from the respondents through questionnaires.

The core area of this study is the Administration of the hospitals of all the public and private sector hospitals of Lahore and this area is chosen because there was no such study conducted before in this sector .100 questionnaires were distributed out of which 86 questionnaires were returned back. The response rate was 86%:

The validity and reliability of the research instrument is already tested and verified.

RESULTS

The questionnaire directly addresses the questions. Out of those 86 respondents 60 were men, 15 were women and the remaining 11 had not mentioned their gender.

Table No.1: Age and Gender

| | | Gender | | | | Age | | | | | |
|---------|--------|-----------|---------|---------------|--------------------|----------------|--------------|-----|------|------|------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent | | | | | | |
| Valid | male | 60 | 69.8 | 80 | 80 | Valid | 29-33 YEARS | 12 | 14 | 14.1 | 14.1 |
| | female | 15 | 17.4 | 20 | 100 | | 34-39 YEARS | 35 | 40.7 | 41.2 | 55.3 |
| | Total | 75 | 87.2 | 100 | | | 39-44 YEARS | 17 | 19.8 | 20 | 75.3 |
| Missing | System | 11 | 12.8 | | | | 45 and Above | 21 | 24.4 | 24.7 | 100 |
| | | | | | | | Total | 85 | 98.8 | 100 | |
| Total | | 86 | 100 | | | Missing System | 1 | 1.2 | | | |
| | | | | | | Total | 86 | 100 | | | |

The table 1 is clearly showing that there were total 86 respondents out of which 85 respondents have shown their age while 1 respondents age is missing. Following is mentioned the table showing the percentage of the respondents falling in each age bracket.

Following tables are showing the cross tabs for age and gender.

Table No.2: Gender & Age Cross Tabulation

| Case Processing Summary | | | | | | | Gender * Age Crosstabulation | | | | | |
|-------------------------|--------|-------|---------|---------|---------|-------|------------------------------|-------------|-------------|-------------|--------------|-------|
| | | Cases | | | | | Count | | | | | |
| | | Valid | | Missing | | Total | | | | | | |
| | | N | Percent | N | Percent | N | Percent | AGE | | | | Total |
| | | | | | | | | 29-33 YEARS | 34-39 YEARS | 39-44 YEARS | 45 and Above | |
| Gender * | | 74 | 86.00% | 12 | 14.00% | 86 | 100% | | | | | |
| Age | | | | | | | | | | | | |
| | male | | | | | | | 7 | 29 | 9 | 14 | 59 |
| | female | | | | | | | 3 | 5 | 3 | 4 | 15 |
| | Total | | | | | | | 10 | 34 | 12 | 18 | 74 |

Table 2 is showing that valid percentage of respondents with respect to age and gender is 86 % and the missing percentage is 14 %.The above table is showing the number of respondents falling in each age bracket with respect to the gender.

Following Are the Statistics of Reliability Tests of This Study Valid in case processing summary 80 and excluded is only 6 and their percentages are 93% and 7 % respectively. The Value of Cronbach’s Alpha Test Is 0.77.

Table No.3: Correlations

| Correlations | | | | Correlations | | | |
|--------------------------------------------------------------------------------------------|---------------------|--------------------------------------------------------------------------------------------|----------------------|--------------------------|---------------------|----------------------|--------------------------|
| | | Trained employees are more efficient and effective as compared to the untrained employees? | Employee performance | | | Employee performance | Training and Development |
| Trained employees are more efficient and effective as compared to the untrained employees? | Pearson Correlation | 1 | .243* | Employee performance | Pearson Correlation | 1 | .644** |
| | Sig. (2-tailed) | | 0.029 | | Sig. (2-tailed) | | 0 |
| | N | 83 | 81 | | N | 81 | 80 |
| Employee performance | Pearson Correlation | .243* | 1 | Training and Development | Pearson Correlation | .644** | 1 |
| | Sig. (2-tailed) | 0.029 | | | Sig. (2-tailed) | 0 | |
| | N | 81 | 81 | | N | 80 | 81 |

Table 3 reveals the Relation of training and development with employee performance. Correlation is significant at the 0.05 level (2-tailed).

Employee performance is correlated with training and development and the model is significant even at 1% confidence interval. The Correlation between Training and Employee Performance Is 0.243. Correlation is even significant at the 0.01 level (2-tailed). The model is highly significant as the value of sigma is 0.000.

Ho: There is no impact of training on employee’s performance.

H1: There is a positive impact of training on employee’s performance.

If $\alpha = 0.05$ Then, H_0 Rejected Else H_1 Accepted

The sigma value (2-tailed) for training and development & employees performance is 0.000 which is clearly less than 0.05 so H1 will be accepted. It reveals that training and employee performance are highly correlated. The correlation coefficient is 0.644 for performance.

Table No.4: Model Summary

| Model Summary | | | | | | |
|-----------------------------------------------------|--------------------------|------------------------------|-------------------|----------------------------|--------|-------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | | |
| 1 | .644 ^a | 0.415 | 0.407 | 0.41493 | | |
| a. Predictors: (Constant), Training and Development | | | | | | |
| ANOVA | | | | | | |
| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 9.508 | 1 | 9.508 | 55.222 | .000 ^b |
| | Residual | 13.429 | 78 | 0.172 | | |
| | Total | 22.937 | 79 | | | |
| a. Dependent Variable: Employee performance | | | | | | |
| b. Predictors: (Constant), Training and Development | | | | | | |
| COEFFICIENTS | | | | | | |
| Model | | Un standardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.855 | 0.214 | | 8.661 | 0 |
| | Training and Development | 0.484 | 0.065 | 0.644 | 7.431 | 0 |
| a. Dependent Variable: Employee performance | | | | | | |

The value of adjusted R is showing that up to 40.7 % of employee performance is directly dependent upon the variable training and development .which means that 40.7% of the change in employee Performance is attributed to variable “training and development ”.

The Multi Linear regression between variables “Performance”, “Size” and “Age” can be represented by:

$$Y = B_0 + B_1X_1$$

$$EMP\ per = 1.85 + 0.4874T.D$$

Where:

Y = Employee Performance, X1 = training and development.

DISCUSSION

Most of the past research has shown that there is a strong positive relation between training development and performance of the employee^{9, 10}. Our study states that there is a positive correlation between training and employee performance as $R^2 = 0.40.7$ thus we can say from this study that with the appropriate and proper utilization of human resource can be a source of high returns for a hospital without it is not possible for a hospital¹¹. Training is a platform for developing the employee’s abilities and skills and taking the best out of them to achieve the organizations goals¹².

The value of B_0 is 1.85 which interprets that if there is no investment in training then employee performance will be 1.85. The value of B_1 is 0.407 which means that if there is 1 % change in training there will be 40.7 % change in employee performance.

Beside these variables the employee performance is also influenced by some other environmental variables like performance appraisal systems, job designs, corporate culture, organizational structure, power and politics prevailing in the organizations^{13,14}. If the employee’s performance is declining in spite of the valid training programs then its due to the above mentioned variables one must take them into the light

to implement the training programs effectively¹⁵. It is often discussed that very less work has been done on investigating the link between training on employee's satisfaction to the job and organizational commitment. It does not has gained much attention by now¹⁶.

A research conducted in the hotel industry shows that it is cleared from both methods interview and questionnaire that there is a strong relation between training and employee performance⁴. It is also clear from the study that the managers and employee's in Lahore hotel industry are very much inclined and interested in being trained. The results showed that 70% employee of the hotel industry feel that training has helped them in improving their performance⁴. 75% think that promotion is only due to training. The results showed that the employee think that their path is clear after getting trained. Moreover 65% respondents in the survey think that their social interaction has increased after getting training and 60 % think that their scale has improved because of training. Research clearly shows that there is a direct relation between training and employee performance^{17,4}. The overall performance of an employee tends to increase after training. And the correlation between training and employee performance is positive¹⁸.

A study conducted in Pakistan by Hameed A & Waheed A depicted that employees are always a valuable asset to the firm and organizations are investing heavily to improve employee performance because they are the source of competitive advantage to the firms and help the firm to be successful³.

Training is a system through which the trainers get themselves skilled through learning and developing abilities enhancing their existing knowledge to new levels to carry out their job activities in the best way¹⁸.

Organizations consider the training program necessary for their growth and have planned reasonable training seminars for their employees time to increase the efficiency of the work that ultimately adds to the productivity¹⁹. The jobs that require man power have now been replace by machinery and now more skilled work force that has become the essence of today's jobs that needs extensive training to operate the machinery form time to time thus throwing light on the importance of training^{20,21}.

Hypothesis of the study have been duly tested by applying all of the related statistical techniques of SPSS 20, regression and correlation techniques is used to identify the direction of relationship between the two variables as dependent and independent.

The correlation table explains that the relation between training and employees performance is 64.4 % strong. All the relationships are significant at 1 % significance level for two tailed test.

The study states that there is a positive correlation between training and employee performance as $R^2 = 0.407$ thus we can say form this study that with the

appropriate and proper utilization of human resource can be a source of high returns for a firm without it is not possible for a firm.

We found that trainings and employee performance are highly correlated after acceptance of alternative hypothesis and the proposed model that training has a positive and significant impact on performance of the employee is proved²¹. Moreover training helps the employees to enhance their knowledge and to be up to date in their respective field of work and to prove themselves proficient and productive both for the organization and consequently for the employer, also Training helps employees in getting a promotion.

CONCLUSION

Training plays an effective role in enhancing the capabilities of both new and current employees. Training is a type of investment by the organization on its employees that brings huge returns for the organization in the future. Training has significant role to play on employee performance but there are also other dominant forces that influence performance and productivity of an employee. Research done previously argues that there exists a positive relationship between employee training and development and employee performance.

Training is an important tool for improving performance and source of professional competency. Bridging the gap between the desired goal and actual goal that what is happening and what should happen actually. Training is needed to fill up the gap in the performance of an employee. In any sector training is a key driver to build up the skills, abilities, behavior, and attitudes as all of these drivers help consequently to improve employee productivity and organizational performance in long term.

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