

Organizational Environment Moderation and Training Benefits Linkage with Employees Inspiration towards Training Programs

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Abstract

Millions of companies are spending billions of dollars to make employees performance better through training. Majority of manufacturing companies nominate their human resources for training programs after ample training need assessment exercises but somewhere a vital part “training benefits” remains missing. That as fundamental factor forms employees’ motivation towards attending training program with devotion and commitment towards learning tacit and converting it into explicit knowledge. Image of organizational environment keep varying the learning motivation of participants as moderator. This causal and co-relational study is designed to explore relationship between training benefits and employees motivation towards attending training programs in addition to testing organizational environment as moderator. Based on 188 responses analysis revealed that there is significantly positive relationship between training benefits and motivation towards attending training programs in addition to significant moderation of organizational environment.

Keywords: training benefits, training motivation, organizational environment, performance, human resource practices.

Introduction

Emerging human resource practices have resulted extensive investment in employees. Now companies are taking training as an investment because productivity is a driving force behind it (Babaita, 2010). Companies endeavor to make this investment more productive and effective. Effectiveness of a training program can be judged through the content transferred into practical job after attending training programs. Organizations always make arrangements to create and enhance the motivation of employees towards training workshops but employees prospective towards attending training depend upon their interest. This study is momentous for researchers and organizations in a way that it creates a link between training benefits, organizational Environment and employee’s interest towards training. The investment on training is critical for the organizations and employees always expect some benefits out of training they are attending.

Training motivation results in training outcomes that ultimately influence job performance (Colquitt, LePine, & Noe, 2000). Individual motivation factors vary from person to person because every individual has different personality type, need, want and demand. Training transfer depends on

individual and situational traits further positive transfer climate also enhances motivation to learn. There are some factors to determine learning motivation that could be related with individuals or with organizations. Training benefits and organizational environment influence on training motivation mediated by organizational commitment (Machin & Treloar, 2004). Based on social exchange theory, human psychology gives importance to each factor after its cost benefit analysis. These perceived benefits could be financial or non financial. Trainees give time, attention, interest as input for training and against return they expect some skills, knowledge and rewards.

Goal setting theory is considered as a major contribution for individuals. It can be used in motivating individuals in personal development and growth. This motivation only comes through setting goals. While thinking about training all individuals set certain goals from this event. These goals are in other words known as training benefits. Employees are inclined towards training if the results come in the form of fulfillment of their goals. Some other motivation theories also support this idea like extrinsic and intrinsic motivation. Motivation theories also suggest that individuals can only be motivated through intrinsic and extrinsic rewards;

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however it differs from person to person. Organizations conduct training programs to improve their performance. Hence they always try to conduct it in a way to get positive results. These optimistic results can only come through effective training programs. Motivated employees can make a training program more effective. Organizations should see that effective training transfer will only be possible if it comes through the expectations attached with that particular training program. Positive learning transfer climate also plays a vital role in transferring the training content in true sense. Hence the objective of this study is to examine the relationship between perceived training benefits and training motivation. One more aspect is important to see that what type of benefits are the sources of motivation for the employees. Now every employee perceives different benefits and prioritizes them differently. It is the role of organization to establish a learning and flexible environment that would attract employees to learn new skills. In this study one aspect is motivation that must be given to employees in order to get their commitment. Most of the employees perceive the cognitive thought that if the training will not bring the prosperity in their work career and remuneration then they do not show willingness and interest in training (Laoledchai, Wee Land, & Low, 2008). It clearly shows that in case those employees believe that training will support them in their career, then they always take interest in training, and naturally they learn a lot and it surely increases their motivation towards training.

Literature Review

If organizations are developing employees to improve their productivity through training then it is real benefit for employees (Cagri & Osman, 2010). Organizations cannot grow without growing their human resources; however employees' benefits from training i.e. learning, career growth, promotion and salary increments are motivational indicators for them. Effective training increases employees' skill that leads to job commitment (Bates, 2004). Effective training programs always enhance employee's efforts at workplace that are directly correlated with the wage rate. (Bose & Gupta, 2009) Hence we can deduce from these statements that training is a tool for increasing wages of employees and wages are material benefit that matches with the personal goals of an employee and it results in higher employee productivity leading towards employee commitment.

Effectiveness of a training program can be seen through what trainees have achieved through training like commitment, accuracy, salary increments and promotion. According to Maslow some benefits like recognition and job enlargement could lead employees to self esteem and self actualization stage. Those employee's who think training as a source of high job and career utility are more attracted and motivated towards the training (Eddie & Danny, 2001). Employee's benefits from trainings are transferred to both employee commitment and increased organizational performance. We can also examine this concept as per employer's perspective. It is given that if enterprises are being convinced that training would result in their personal benefit then their commitment towards training is increased, few Governments tried to argue that skilled labor is in the interest of the organizations, so the

enterprises should think to train their employees to enrich them with skills (Stephen Billett, 2005). Same is the case with an employee that if trainings are adherence with their goals then their commitment towards work get increased. Organizational environment is important for enhancing training motivation of employees (Eddie & Danny, 2001). Organizational environment is picked as moderator with an expectation that it strengthen relationship of training benefits and training motivation.

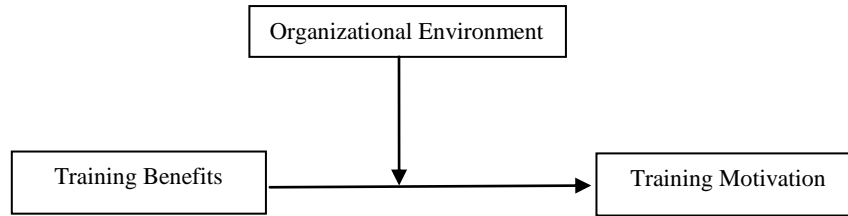
Motivation is a psychological process which instincts somebody to take the desired action matched with the personal goals (Mitchell, 1982). The organizations can only concentrate on employee's motivation if they consider training as an important tool for achieving certain goals. Hence it is important to conduct a need assessment before starting a training program further training design and training evaluation must be appropriate to get the desired results out of the training (Jr, Jr, Edens, & Bell, 2003). There is positive relationship between motivation to learn and possible outcomes like course satisfaction, meta cognition, declarative knowledge. Blended learning conditions and environmental enabler increases motivation towards learning (Klein, Noe, & Wang, 2006). It shows that organizational environment and desired expectations from a training program always play a significant role in determining motivation of employees.

We can also see the perceived benefits according to equity and expectancy theory. Equity theory tells us that everybody wants to be treated fairly, because employees are always interested in fair rewards (Adams, 1963). Human behaviors are developed through desirable outcomes in the form of expected rewards and training motivation could be one of the behaviors that can be developed (Ryan & Deci, 2000). It is quiet natural that every employee shows some interest in training for the sake of some personal goals (Budría & Pereira1, 2009).

Conceptual Framework

Based on above discussion, certain relationships are developed. Learning is very important for the survival and growth of individuals and organizations at large. Knowledge and skills make an individual alive and fruitful for the organization. This learning process must be a continuous and is better to be enhanced at different stages of individual career life cycle. Organizations have to make arrangements to increase employees' motivation towards training and development programs. Literature supports the argument that training motivation is extracted from the perception of employees towards the outcomes of the training programs. If the outcomes are in accordance with some expected benefits of employees attached with that training program then employees' motivation and commitment will be at higher level. It will not only enhance the individuals' capabilities but also organizational performance while organizational environment plays an important role in this regard. If the organizations are very optimistic in adapting upcoming changes and investing in employees then productive results will come forward, Figure (I) is showing relationship of training benefits with training motivation in the presence of organizational environment.

FigureI:



It shows that employees perceive some benefits out of training that instigate them to get some motivation to attend a training program and organizational environment further strengthens this relationship.

The linkage and relationship among these variables are being established in the literature review. Based on the above arguments and diagram following hypothesis are established for empirical testing.

H1: Perceived benefits for training have significant and positive relationship with training motivation.

H2: Organizational environment moderates the relationship between training benefits and training motivation.

Methodology

From manufacturing sector of Pakistan and United Arab Emirates six companies were chosen (three from each country) for the purpose of primary data collection. 250 employees were floated self administered questionnaires using email ids, after three reminders response rate reached at 75 % and we collected 188. Questionnaire technique is used because it was most appropriate to know the exact perception of individuals about training. Cognitive thoughts about perceived training benefits can be judged by asking different questions. Respondents from different companies were selected to increase the generalizability of results. Seven point likert scale have been used to collect data with all close ended options.

Data Analysis

SPSS version 16 was used for data analysis because it gives us all the possible programs and functions required for the analysis. To test data reliability Cronbach's alpha (α) for each variable were calculated, Training Motivation alpha (α) value = 0.776, Training Benefits alpha (α) value = 0.823 and Organizational Environment alpha (α) value = .714. All values are greater than (0.700) acceptance level of data reliability.

Table I: Descriptive Statistics and Correlation

	Mean	S.D	TM	TB	OE
Training Motivation (TM)	5.568	.651	1		
Training Benefits (TB)	4.035	.862	.359**	1	
Organizational Environment (OE)	5.17	.581	.264**	.122	1

*** p value is = .000** p value is =.001, *where p value is =.01

(Table: I) is about descriptive statistics including mean values and standard deviations. It shows that standard deviation is very small even lesser 1.000, is another indicator of data reliability with exclusion of outer layers.

Correlation values are depicting positive correlation between all the variables ($r = 0.359$) between training benefits and training motivation and ($r = 0.264$) between organizational environment and training motivation, hence it is proven that training motivation is significantly linked with training benefits. The company offering training benefits will find employees more motivated towards attending training programs.

Table II: Regression Analysis

	β value	(P value)	Adjusted R^2
Constant	.452	.000	.129
Training Benefits (TB)	.456	.002	

(Table II) is showing (adjusted $R^2 = 0.129$) indicating substantial contribution of independent variable (Training Benefits) towards dependent variable (Training Motivation). ($\beta=.456$, $p=.002$) shows that training benefits measure training motivation with substantially significant impact.

Table III: Moderation analysis

	Coefficients	(P value)	Adjusted R^2
Constant	.458	.007	.280
Training Benefits (TB)	.568	.001	
Organizational Environment (OE)	.241	.043	

(Table III) is showing (adjusted $R^2 = 0.280$, $\beta=.241$, $p=.043$) for Organizational Environment, indicating that relationship between training benefits and training motivation is significantly moderated by Organizational Environment. According to Baron, R. M., & Kenny, D. A. (1986) it is proven that moderator variable has significant value therefore we conclude the moderation (organizational performance) impact between training benefits and training motivation. Where organizational environment is congenial and is supportive towards learning application from training there it has positive affect.

Discussion and Conclusion

Previous researchers have given identical outcomes that training transfer can only be successfully completed when they are given this perception that participants will get the desired objectives from training. Many of the organizations want to have talented and well skilled employees and they offer training to these incumbents but the organizational environment does not support learning application because these organizations are not flexible towards changes and adaptation. Today's leading discussion is to take training investment as an expense or investment where as

productivity is being studied as an influential power to invest in training (Babaita, 2010). It has been observed that the employees participating in training and development programs are less likely interested in leaving the job and vice versa (Rohs, 2006). Research & development and training have deep impact on productivity and wage. Even it has been seen that sometimes, employers get more return on training and R&D than on fixed capital (Ballot, Fakhfakhb, & Taymaz, 2006). Further employees are more motivated in training when they think that after training they can apply learning during their job to improve performance, and organizations respect them with higher wages or promotion in near future. Learning of individuals is positively correlated with perceived benefits like job helpfulness, transfer opportunities and organizational environment (Lim & Morris, 2006). This study supported the argument that there is a positive and significant relationship between training benefits and training motivation.

This study has given some significant results along with some limitations. We have selected six companies as a sample. More companies can be included to make research more reliable. Some other moderators like personal goals and career ladder can be studied in this relationship, because trainees often get motivation from the training that matches with their personal goals.

This study is significant and useful for all types of organizations. It can be used in increasing training effectiveness. Organizations spend reasonable segment of their revenues on conducting training programs. Their objective is to transfer the training content to employees and it should help them to increase their job performance. It is only possible, if employees show interest and motivation towards training. The companies organizing training programs by providing good training benefits and congenial organizational environment where learning can easily be applied always get motivated employees towards attending trainings.

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