

Performance Variation, training, and Outcome in SE-Asian manufacturing sector

Firend Al R., PhD

Abstract

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Despite the volume of training provided across Malaysian industries, personal capacity in human capital still causing inefficiencies at the work place. Managers complain that trained staff does not show improvement in performance in the post-training stage. This study examines post-training effectiveness and applications of new skills acquired through training and the relationship between training and development and degree of job competency and quality of work. A mixed model was applied, which comprised of quantitative and qualitative interviews with both trainees, trainers, and human resources personnel in charge of training programs. Data was collected from 20 manufacturers and interview with open ended questions were conducted with 20 trainees and 5 trainers. Findings shows that cultural reasons attributed to lack of capacity in Malaysian human capital. This is attributed to workers nature of work ethics, Asian value of “show of face” or “loss of face”, lack of common sense reflected in lack of worker’s ability to react to instructions effectively, fear of making mistakes, lack of sense of urgency in execution of instructions, and lack of reliability. All of which, contribute to the overall competitiveness of worker in relation to other workers around the world.

Key words: Asian culture, Malaysia, training, capacity, training and development.

Background

Despite the volume of training provided across Malaysian industries, human capacity issues still causing inefficiency and lack of ineffectiveness in operational procedures. With access to training and availability of funds (PSMB, HRDF) to conduct various levels of training, this study attempts to investigate the level of training in the Malaysian manufacturing sector, and whether training is effective in improving the workplace, quality of work, and whether training is an essential component of corporate strategy.

Since Training and Development (T&D) is an ongoing event, it has been observed while consulting number of Malaysian companies that staff is unsatisfied with training conducted. Managers complain that trained staff does not show improvement in performance in the post-training stage. Therefore management has a vested interest in investigating whether T&D programs are worthwhile to conduct, and what would be the ideal approach in selecting training programs and matching them to the right personal.

Most manufacturers asserted that the objectives of the T&D programs are to increase productivity by improving staff level of performance through regular training, and hence increases operational productivity that hopefully reflects on organizational profitability, to improve products and services quality, to improve staff personal development and inter-personal skills, and to improve employee level of job satisfaction (Dowling and Moroney, 2008).

Objective of the study

1. To examine the level of T&D importance amongst Malaysia manufacturing sector.
2. To examine post-training effectiveness and applications of new skills acquired through training.
3. To examine the relationship between training and development and degree of job competency and quality of work.

Problem Statement

Job training is costing companies time and money, however, stakeholder's need to measure the level of tangible improvements and impact of training on job performance as an outcome (Lynch, 2012). Since few academic research examined this aspect of training in the manufacturing sector of Malaysia, it is necessary to get more in-depth understanding of such relationship by evaluating the degree of training effectiveness in the manufacturing sector and whether there is a positive impact on job performance.

Scope of Study

This research is concerned with the specific examination of training and its impact on employee development, work performance and quality of output in Malaysian manufacturing industry. This research does not examine other industries in Malaysia nor it is part of the scope of this study.

Theoretical context

Noe (2012) argue that employee training is essential and mutually beneficial for both employee and the employer. Noe also argue that there is a direct relationship between training and positive job performance. However identifying employee needs training needs is crucial element of the development process to achieve satisfactory results. Numerous applications may be applied to identify employee-training needs (Hupp, Polak and Westgaard, 1995). However, few employers in the Malaysian manufacturing sector do attempt to examine the impact of training on job performance, and product quality in the effort to nourish in-house talent and improve quality of offerings (Sumardi and Othman, 2011). In such quest, emphases should primarily attempt to consider the relationship between the task or job and product/service quality requirements (Campbell, 1996). Campbell also stresses the need to identify training result on what should be improved.

Garry, Koelling and Geller (2001) further contend that a given organization must develop an information-gathering methodology and assessment plan on how to gather and assess post-training information from employee. Such methodology according to Garry et. al. ideally apprise and determines the type of training needed and its relationship to job outcome.

Training committee member may conduct survey questionnaire or focus group by department. Subsequently, analyze the result by matching speculate result and employee feedback. Before giving a conclusion, check the validity of possible conclusion. After making final conclusion, take action to implement the program. We suggest conducting survey questionnaire on training needs assessment twice a year to

check on training needs. Dumas and Hanchane (2010), Race (1993) and Rosset (2006) noted that such assessment of job performance, training, personal development and ultimately job outcome is more of a comprehensive and holistic approach that involves multiple training with interval assessments by qualified staff, specialized personal, management, and learning specialists. Such process according to Dumas and Hanchane (2010) must not exclude peer-training external training by qualified professional trainers. Rowold (2008) concludes that in order for the training process to produce effective outcome a high dependence must be present on the needs to choose and select the receptive individuals to the right training program and during adequate intervals. Lynch (2012) further concludes that in order for training programs to positively affect job performance, a culture of quality ownership must exist within the organization by all stakeholders. Yoo and Park (2007) further confirm such conclusion by stating that training is indispensable element and ultimately stems from organizational culture of dedication to quality. Management however remains the crucial and eventual judge in safeguarding confirming the effectiveness of training by supporting training and quality management programs and following up on the process of collective organizational improvement according to Park, Kruse and Sesil (2004).

Methodology

This is an exploratory research. The span of this research is 2 years, which included manufacturers in the automotive industry, furniture, electronic, semiconductors and OEM's. A mixed approach was applied, which comprises of survey questionnaire and interviews with employees (trainees), trainers, human resources personnal incharge of training programs, and managers (employers). Both the survey and interviews were designed to investigate employee perception and satisfaction level on training and development program conducted by their prospective companies, the level of training adequacy, post-training satisfaction and gain, employees perception of affect of training on job outcome, and management perception of skills gained. The survey questionnaire was distributed to 35 manufactorers across Malaysia. 113 employees/trainee participated in the study from 20 manufactorers. Interviews with open-ended questions were conducted with 20 trainers, and 12 line managers involved in staff training randomly selected to participate in this study. Data analysis was performed with both descriptive and inferential techniques. On the descriptive part, summary tables, averages, and average percentage were utilized in order to establish casual relationships between variables. Regression analyses were also applied to the quantitative data.

Answered questionnaires were checked before data analyses to exclude extremely inconsistent and extremely incomplete questionnaires. None were found to be extremely inconsistent or incomplete. Statistical Package for Social Science (SPSS) was the main tool used for analyzing the collected data for the study. Survey responses were tabulated and regression analyses were employed. Statistical values are calculated on the data collected using the various questionnaires. Skewness is a calculation of the irregularity of the probability distribution of the variable to be measured. The skewness value can be positive or negative depending on the situation.

Analyses and Findings

50% of responded (trainees) indicated that training is not a priority to them. 62.5% of trainers indicated that trainees exhibit weak comprehension skills at statistical significance p -value of 0.013. Although 98.7% of employers indicated that training is essential component of job development, yet only 37.6% of employers (line-managers) indicated that an actual benefit of training could be realized or felt at the workplace with statistical significance p -value of 0.025. Qualitative results of this study further support quantitative findings that inherited cultural values are primary causes of lack of competency and self-development. This is attributed to the following reasons; a) personal views of the nature of work ethics vary significantly from those views of workers in Western industrialized countries. Meaning, long hours of work does not necessarily represent quality of work. 67.2% of respondents were found to put emphases on minimum contribution of effort during work hours. This was found primarily because of the Asian value of “show of face”, which can mean working longer hours, but does not necessarily means putting an effort that can be translated into actual or tangible productivity to the employer; b) trainers and employers complain of lack of common sense reflected in lack of worker’s ability to react to instructions effectively. Therefore, repetition of instruction is needed to reinforce information. 79.3% of employees (trainees) indicated that they are afraid to make a mistake at the workplace and mistakes tends to have consequences and “loss of face”; c) 71% of employers indicated that workers/subordinate suffer from lack of sense of urgency in execution of instructions; 26.1% of employers indicated that workers suffer from lack of reliability. 81.2% of trained employees (trainees) indicated that most of training information is forgotten overtime and thus, training becomes ineffective and the need for re-training arises. Hence, it is found that cultural reasons indicated above contributes to the overall competitiveness of the Malaysian worker in relation to other workers around the world.

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