THE INFLUENCE OF CONTEXTUAL FACTORS ON TRAINING EFFECTIVENESS OF TECHNICAL EMPLOYEES AT SILTERRA MALAYSIA SDN. BHD.

By

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ABSTRACT

One of the key issues for Malaysian companies is the training and development of their employees. Training plays an important role in providing the necessary skills and knowledge to employees so that their competencies can be improved. Therefore, the training provided should be effective so that the knowledge and skills learnt can be applied to the job. The purpose of this study was to identify the contextual factors that affect the Yield Management (YM) training program for technical staff of Silterra Malaysia Sdn. Bhd. (Silterra). In addition, this study investigated the relationship between the contextual factors and the training effectiveness of YM training program. The research framework was designed based on the Kirkpatrick training model although the research had used quantitative measures. The Kirkpatrick training evaluation model outlines four levels of training effectiveness which are Reaction (Level 1), Learning (Level 2), Behavior (Level 3), and Result (Level 4). The research instrument employed in this study was a questionnaire with 90 items designed to answer 28 hypotheses. The questionnaires were distributed to the respondents by the Human Resources staff of Silterra between November 2010 and February 2011. The study found that the contextual factors such as participant, trainer, training material and organization were the only factors that affect the training effectiveness of YM training program at Silterra while other contextual factors such as training program, working environment and technology were immaterial. The results also indicated that participant, trainer, training material and organization had a positive relationship with training effectiveness at different levels of the Kirkpatrick model. However, factors such as training program, working environment and technology did not show any significant relationship with training effectiveness. This study has made some important contributions to the training literature on the semiconductor industry in Malaysia.

Keywords: training effectiveness, Kirkpatrick’s Training Model, semiconductor industry
ABSTRAK


Katakunci: keberkesanan latihan, Model Kirkpatrick, industri semikonduktor.
ACKNOWLEDGEMENT

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<tr>
<td>CAIPO</td>
<td>Context, Administration, Input, Process and Operation</td>
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<tr>
<td>CIPP</td>
<td>Context, Input, Process and Product</td>
</tr>
<tr>
<td>CIRO</td>
<td>Context, Input, Reaction and Outcome</td>
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<tr>
<td>C&amp;B</td>
<td>Compensation &amp; Benefits</td>
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<td>CSM-HR</td>
<td>Competitive Semiconductor Manufacturing-Human Resources</td>
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<td>DOE</td>
<td>Design of Experiments</td>
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<td>DV</td>
<td>Dependent Variables</td>
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<td>Fab</td>
<td>Fabrication Plant</td>
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<td>HPWI</td>
<td>High Performance Work Index</td>
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<td>HPWS</td>
<td>High Performance Work System</td>
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<td>HR</td>
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<td>HRD</td>
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<td>ICT</td>
<td>Information and Communication Technology</td>
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<td>IMD</td>
<td>International Management Development</td>
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<td>IMP</td>
<td>Industrial Master Plan</td>
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<td>JTK</td>
<td>Jabatan Tenaga Kerja</td>
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<td>Acronym</td>
<td>Full Form</td>
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<td>KPI</td>
<td>Key Performance Indicator</td>
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<td>KRA</td>
<td>Key Result Area</td>
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<td>KUKUM</td>
<td>Kolej Universiti Kejuruteraan Utara Malaysia</td>
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<tr>
<td>MAE</td>
<td>Malaysia American Electronics</td>
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<td>MIDA</td>
<td>Malaysian Investment Development Authority</td>
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<tr>
<td>OJT</td>
<td>On-the-job</td>
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<td>OSH</td>
<td>Occupational Safety and Health</td>
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<td>QCT</td>
<td>Quality Circle Team</td>
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<td>PDSC</td>
<td>Penang Skills Development Centre</td>
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<td>PSMB</td>
<td>Pembangunan Sumber Manusia Berhad</td>
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<td>ROI</td>
<td>Return on Investment</td>
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<td>SHRDC</td>
<td>Selangor Human Resource Development Centre</td>
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<td>Society of Human Resource Management</td>
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<td>Statistical Process Control</td>
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<td>UniTEN</td>
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<tr>
<td>UTP</td>
<td>Universiti Teknologi Petronas</td>
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<td>WCY</td>
<td>World Competitive Yearbook</td>
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<td>Yield Management</td>
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CHAPTER 1

INTRODUCTION

1.1 Introduction

Competitive advantage in the marketplace is driven by the people in the organization. In order to remain competitive, organizations must include employee’s education and development as part of their corporate strategy. Given the dynamics of today’s business environment, employees will be required to learn throughout their careers (widely called as ‘lifelong learning’). This need for lifelong learning will require organizations to accept that investments in Human Resource Development (HRD) programs are wise and strategic choice. Organizations that elect to establish and invest in a formal HRD function are making a commitment to provide their employees with the skills necessary to meet current and future job demands. Ideally, HRD activities should be planned for all employees, regardless of their positions, from the time they are hired through to the conclusion of their career with the organization. Organizations provide HRD activities in order to support the organization’s mission and strategy. The organizational mission and strategy will be cascaded down to strategic planning in order to improve the productivity and quality of the products or services. In addition, HRD will assist the organization in enhancing competency of the workforce so that they are become more skillful and flexible in doing the job. Therefore, the
organization can see the reduction in tardiness and performance deficiencies issues. Hence, lower turnover and absenteeism rate, improve workplace safety as well as meeting the regulatory requirements.

To keep up with the accelerated technological advancement and intense global competition, the workforce has to be competent and flexible in order to adapt to rapid changes. Workplace performance constantly requires new knowledge, skills, and attitude (KSA). Historically, most reading materials pointed out that training and development play an important role in organizations in molding the employees to meet the requirements of current and future job performance needs (Dessler, 1994; Ivancevich, 1995; Mondy, 2008; Noe & Hollenback, 1994). For instance, most of leading American companies view training as a key to organizational survival and success (Bernadin & Russel, 1998; Westover, Westover & Westover, 2010).

In Malaysia, the Government in the Third Industrial Master Plan (3IMP) had emphasized on projects based on human resource development. For instance, as announced in Budget 2008, once established, the Knowledge Workers Development Institute that would help to improve the supply of knowledge-based workers to meet the current demands of knowledge economy (Foo, 2007). Vince Leusner, the President of the American Malaysian Chamber of Commerce (AMCC) pointed out that the expansion in value chain had resulted in the need for more knowledge-based human resources. This trend had shown
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REFERENCES


**Appendix 1**

**UNIVERSITI UTARA MALAYSIA**
College of Business,
Sintok, Kedah.