

**A STUDY ON TRAINING FACTORS AND ITS IMPACT
ON TRAINING EFFECTIVENESS IN
KEDAH STATE DEVELOPEMNT CORPORATION,
KEDAH, MALAYSIA**

HU YANAN

**OTHMAN YEOP ABDULLAH
GRADUATE SCHOOL OF BUSINESS**

June 2011

**A STUDY ON TRAINING FACTORS AND ITS IMPACT
ON TRAINING EFFECTIVENESS IN
KEDAH STATE DEVELOPEMNT CORPORATION,
KEDAH, MALAYSIA**

**A Project Paper Submitted to Graduate School of Business in
Partial Fulfillment of the Requirements for the Degree of
Master of Human Resource Management
Universiti Utara Malaysia**

**BY
HU YANAN
808155**

© HU YANAN, 2011 ALL Rights Reserved

PERMISSION TO USE

In line with representing this thesis as partial fulfillment of the requirements for the award of postgraduate degree from University Utara Malaysia, I agree that the University Library make this thesis freely available for inspection. I further agree that permission of copying this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or, in his absence, by the Dean of College of Business. It is understood that any form of copying, use or publication of this thesis for financial gain is not allowed without my written permission. In case of any use, due recognition should be addressed to

Dean

Othman Yeop Abdullah

Graduate School of Business

UUM COB

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

Abstract

The main objective of this study is to measure the impact of training on human resource practices as well as to identify the factors those are related to effectiveness of training. The variables examined were demographics characteristics (age, gender, martial status, education level and length of working in current job), types of training, training environment and work environment .

A total of 92 questionnaires were distributed to the respondents in Kedah State Development Corporation (KSDC) company. This study was designed to identify through questionnaire survey, the factors that can contribute towards training effectiveness. The results of the study found that training environment and work environment significantly affect raining effectiveness .The study provides baseline data from which the training effectiveness can be assessed and improved upon so that higher benefits can be obtained by the organization.

ACKNOWLEDGEMENT

Praise to Allah, the most merciful and most gracious for bestowing me with patience, strength and excellent health throughout the process of completing this research. This project paper would not been done without assistance and support from many people. I would like to take this opportunity to extend my deepest gratitude to my supervisor, DR.VIMALA SANJEEV KUMAR for her expert advice, guidance and support throughout the entire research.

Also, I would like to thank University Utara Malaysia for giving me this great opportunity to achieve my educational goals throughout my entire MHR(Master of Human Resource Management) study duration in UUM campus.

My deepest appreciation also goes to beloved family for constant support, patient and understanding throughout my life.

Finally, special thanks to those people who have been involve in the accomplishment of this project paper. Your endless contribution and encouragement are very much appreciated.

TABLE OF CONTENTS

	Page
PERMISSION TO US	iii
ABSTRACT	iv
ACKNOWLEDGEMENTS	v
TABLE OF CONTENTS	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
CHAPTER 1: INTRODUCTION	
1.1 Background	1
1.2 Problem Statement	2
1.3 Research Questions	8
1.4 Research Objectives	9
1.5 Significance of Research	10
1.6 Scope of Study	12
1.7 Organizations of study	12
1.8 Conclusion	13
CHAPTER 2: LITERATURE REVIEW	
2.1 Introduction	14
2.2 Understanding of Training Impact	15

2.3 Trainee Personal characteristics	16
2.4 Types of Training	18
2.5 Training Environment	19
2.6 Work Environment	20
2.7 Research Framework	22
2.8 Research Hypotheses	23
2.9 Conclusion	24

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction	25
3.2 Type of Research	26
3.2.1 Applied research	26
3.3 Research Design	26
3.4 Operational Definition and Measurement	27
3.5 Unit of Analysis	27
3.6 Time Horizon	28
3.7 Sample and Population	28
3.8 Data Collection Method	29
3.8.1 Primary Data	29
3.8.2 Secondary Data	29

3.9	Instrumentation	29
3.10	Questionnaire Preparation Measurement Scale	30
3.11	The Description of Questionnaire of section	31
	3.11.1 Training Impact	32
	3.11.2 Training Environment	33
	3.11.3 Work Environment	33
3.12	Data Analysis	34
	3.12.1 Percentage Analysis	34
	3.12.2 Correlation Analysis	35
	3.12.3 Regression Analysis	35
	3.12.4 ANOVA	35
	3.12.5 T -Test	35
3.13	Conclusion	36
CHAPTER 4: FINDINGS		
4.1	Introduction	37
4.2	Overview of Data Collected	37
4.3	Demographic Profile of Respondents	38
4.4	Data Analysis	43
	4.4.1 Reliability Test Results	43
	4.4.2 Correlation Results	44
	4.4.3 Regression Results	45
4.5	Analysis of Differences : T-test and ANOVA Results	48
4.6	Conclusion	53

CHAPTER 5: DISCUSSION AND CONCLUSION

5.1	Introduction	54
5.2	Discussion	54
5.3	Implication of Study	59
5.4	Limitations of Study	59
5.5	Recommendation for Future Research	60
5.6	Conclusion	60

REFERENCES	62
-------------------	----

APPENDICES

Appendix I: Sample of Questionnaire	69
Appendix II: Analysis Output	75

LIST OF TABLES

- Table 4.1 Frequency of Respondents Gender
- Table 4.2 Frequency of Respondents Age
- Table 4.3 Frequency of Respondents Martial Status
- Table 4.4 Frequency of Respondents Education Level
- Table 4.5 Frequency of Respondents Work Experience
- Table 4.6 Reliability Analysis
- Table 4.7 Correlation Analysis
- Table 4.8 Regression Analysis between Types of Training and Training Impact
- Table 4.9 Regression Analysis between Training Environment and Training Impact
- Table 4.10 Regression between Work environment and Training Impact
- Table 4.11 T-test Result between Male and Female
- Table 4.12 One Way ANOVA of Age Groups on Training Impact Variable
- Table 4.13 T-test Result between Single and Married Respondents
- Table 4.14 One Way ANOVA of Educational Level and Training Impact Variable
- Table 4.15 One Way ANOVA of Work Experience and Training Impact Variable

LIST OF FIGURES

Figure 2.1 Research Framework

Figure 4.1 Summary of Hypotheses Tested

CHAPTER ONE

INTRODUCTION

1.1 Background

Employee training has been a matter of concern and attention by many business field nowadays. Organizations realize that employee training is an essential element to increase efficiency of job performance and keep their business running, as competition are getting more intense. Training is the process of providing employees with specific skills or helping them correct deficiencies in their performance (David, 2010). For example, new equipment may require workers to learn new ways of doing the job or a worker may have a deficient understanding of a work process. In both sides, training can be used to correct the skill deficit. Training is focus on the current job, the scope of training is on individual employees (Robert, 2010). It is also job specific and addresses particular performance deficits or problems. Training tends to focus on immediate organizational needs and fairly quick improvement in workers' performance. It strongly influences present performance levels.

A fundamental objective of training is the elimination or improvement of performance problems. To be successful, a training program must have clear stated and realistic goals (David, 2010). These goals will guide the program's content and determine the criteria by which its effectiveness will be judged. For example, management cannot easily realistically expect that one training session will make everyone an accounting

The contents of
the thesis is for
internal user
only

References:

Abderrahman Hassi, Giovanna Storti, (2011) "Organizational training across cultures: variations in practices and attitudes", *Journal of European Industrial Training*, Vol. 35 Iss: 1, pp.45 – 70

Aaron W. Hughey, Kenneth J. Mussnug, (1997) "Designing effective employee training programmes", *Training for Quality*, Vol. 5 Iss: 2, pp.52 – 57

Alfred Pelham, (2009) "The impact of industry and training influences on salesforce consulting time and consulting effectiveness", *Journal of Business & Industrial Marketing*, Vol. 24 Iss: 8, pp.575 – 584

Arthur, W., Bennett, W., Edens, P.S., Bell, S.T. (2003), "Effectiveness of training in organizations: a meta-analysis of design and evaluation features", *Journal of Applied Psychology*, Vol. 88 No.2, pp.234-45.

Burke, L.A., Baldwin, T.T. (1999), "Workforce training transfer: a study of the effect of relapse prevention training and transfer", *Human Resource Management*, Vol. 38 No.3, pp.227-42.

Baldwin, T.T., Ford, J.K. (1988), "Transfer of training: a review and directions for future research", *Personnel Psychology*, Vol. 41 No.1, pp.63-105.

Burke, L.A., Hutchins, H.M. (2008), "A study of best practices in training transfer and proposed model of transfer", *Human Resource Development Quarterly*, Vol. 19 No.2, pp.107-28.

Birdi, K., Allan, C., Warr, P. (1997), "Correlates of perceived outcomes of four types of employee development activity", *Journal of Applied Psychology*, Vol. 82 No.6, pp.845-57.

Colquitt, J.A., LePine, J.A., Noe, R.A. (2000), "Toward an integrative theory of training motivation: a meta-analytic path analysis of 20 years of research", *Journal of Applied Psychology*, Vol. 85 No.5, pp.678-707.

Cromwell, S.E., Kolb, J.A. (2004), "An examination of work-environment support factors affecting transfer of supervisory skills training to the workplace", *Human Resource Development Quarterly*, Vol. 15 No.4, pp.449-71.

Chew, Y.T. (2005), "The changing HRM practices of Japanese firms and the impacts on compensation practices of Japanese affiliates in Malaysia", *Forum of International Development*, Vol. 28 No.1, pp.55-80.

Chiaburu, D.S., Marinova, S.V. (2005), "What predicts skill transfer? An exploratory study of goal orientation, training self-efficacy, and organizational supports", *International Journal of Training and Development*, Vol. 9 No.2, pp.110-23.

David Devins, Steve Johnson, John Sutherland, (2004) "Employer characteristics and employee training outcomes in UK SMEs: a multivariate analysis", *Journal of Small Business and Enterprise Development*, Vol. 11 Iss: 4, pp.449 – 457

Devins, D., Johnson, S., & Sutherland, J. (2004). Employer characteristics and employee training outcomes in UK SMEs: *a multivariate analysis*, *Journal of Small Business and Enterprise Development*, 11(4), 449-457.

Eraut, M., Alderton, J., Cole, G, Senker, P. (1998), Development of Knowledge and Skills in Employment, *University of Sussex Institute of Education, Brighton, Research Report No. 5, .*

Facteau, J.D., Dobbins, G.H., Russell, J.E.A., Ladd, R.T., Kudisch, J.D. (1995), "The influence of general perceptions of the training environment on pre-training motivation and perceived training transfer", *Journal of Management*, Vol. 21 No.1, pp.1-25

Ford, J.K., Weissbein, D.A. (1997), "Transfer of training: an updated review and analysis", *Performance Improvement Quarterly*, Vol. 10 No.2, pp.22-41.

Gist, M.E., Stevens, C.K., Bavetta, A.G (1991), "Effects of self-efficacy and post-training intervention on the acquisition and maintenance of complete interpersonal skills", *Personnel Psychology*, Vol. 44 No.4, pp.837-61

Gilpin-Jackson, Y., Bushe, G.R. (2007), "Leadership development training transfer: a case study of post-training determinants", *Journal of Management Development*, Vol. 26 No.10, pp.980-1004.

Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. e, & Tatham, R. L. (2006). *Multivariate Data Analysis*, 6th ed. New Jersey, Prentic Hall.

Harry J. Martin, (2010) "Improving training impact through effective follow-up: techniques and their application", *Journal of Management Development*, Vol. 29 Iss: 6, pp.520 – 534

Heli Aramo-Immonen, Kaj U. Koskinen, Pasi L. Porkka, (2011) "The significance of formal training in project-based companies", *International Journal of Managing Projects in Business*, Vol. 4 Iss: 2, pp.257 – 273

Hawley, J.D., Barnard, J.K. (2005), "Work environment characteristics and implications for training transfer: a case study of the nuclear power industry", *Human Resource Development International*, Vol. 8 No.1, pp.65-80.

John Sutherland, (2009) "Skills and training in Great Britain: further evidence",
Education + Training, Vol. 51 Iss: 7, pp.541 – 554

Kitching, J., Blackburn, R. (2002), *The Nature of Training and Motivation to Train in Small Firms.*, DfES, London, Research Report RR330.

Kontoghiorghes, C. (2001), "*Factors affecting training effectiveness in the context of the introduction of new technology – a US case study*", *International Journal of Training and Development, Vol. 5 No.4, pp.248-60.*

Lim, D.H., Morris, M.L. (2006), "Influence of trainee characteristics, instructional satisfaction, and organizational climate on perceived learning and training transfer", *Human Resource Development Quarterly, Vol. 17 No.1, pp.85-115.*

Lai Wan Hooi, (2010) "*Technical training in the MNCs in Malaysia: a case study analysis of the petrochemical industry*", *Journal of European Industrial Training, Vol. 34 Iss: 4, pp.317 – 343*

Milton Mayfield, (2011) "*Creating training and development programs: using the ADDIE method*", *Development and Learning in Organizations, Vol. 25 Iss: 3, pp.19 – 22*

Montesino, M.U. (2002), "Strategic alignment of training, transfer-enhancing behaviors, and training usage: a post-training study", *Human Resource Development Quarterly*, Vol. 13 No.1, pp.89-108.

Martin, H. (2010). *Improving Training Impact through Effective follow-up: Techniques and their Application*, *Journal of Management Development*, 29 (61), 520-534.

Nunnally, J. C. (1978). *Psychometric Theory*. New York, NY: McGraw Hill.

Rouiller, J.Z., Goldstein, I.L. (1993), "The relationship between organizational transfer climate and positive transfer of training", *Human Resource Development Quarterly*, Vol. 4 No.4, pp.377-90.

Rossett, A. (1997), "It was a great class, but ...", *Training and Development*, Vol. 51 No.7, pp.18-24.

Rowley, C., Bhopal, M. (2006), "The ethnic factor in state-labour relations", *Capital and Class*, Vol. 88 pp.87-116

Salas, E., Rozell, D., Mullen, B., Driskell, J.E. (1999), "The effect of team building on performance: an integration", *Small Group Research*, Vol. 30 No.3, pp.309-29.

Salas, E., Cannon-Bowers, J.A. (2001), "The science of training: a decade of progress", *Annual Review of Psychology*, Vol. 52 pp.471-99.

Sekaran, U. (2003). *Research method for business: A skill-building approach* (4th ed).

New Youk: John Wiley & sons Inc.

Sutherland, J. (2009). *Skills and Training in Great Britain: further evidence*, Journal of Education and Training, 51 (7), 541-554.

Tracey, J.B., Tannenbaum, S.I., Kavanagh, M.J. (1995), "*Applying trained skills on the job: the importance of the work environment*", Journal of Applied Psychology, Vol. 80 No.2, pp.239-52.

Yong, K.B. (2003), "Human resource management", in Malaysian Institute of Management (Eds), *Management in Malaysia*, Percetakan Printpack Sdn. Bhd, Shah Alam, pp.230-50.