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Influence of Training Strategy on Employee Performance: A Case Study of Sameer Africa Limited

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Abstract: ***The general objective of the study was to investigate the influence of training strategy on employee performance in Sameer Africa Limited. The objectives of the study were three: To determine the influence of knowledge on employee performance in Sameer Africa Limited. To establish the influence of skills on employee job performance in Sameer Africa Limited. To establish the influence of attitude on employee performance in Sameer Africa Limited. The study adopted the descriptive research design. The population under study was the 500 employees of Sameer Africa Limited. However, a census of the 32 employees at the headquarters were the one that were included in the study. The sampling technique that was used in the study were stratified and purposive sampling designs. Structured questionnaire was used in collecting of data. The questionnaire was developed and organized on the basis of the research objectives to ensure relevance to the research problem. The study employed the use of statistical frequencies like percentages to analyze the various differences in population demographics. Excel was used in analyzing the study and also the use of charts, tables and pie charts were also used. This study was in the body of knowledge under the theory that a business cannot exist without both financial and human capital. It is the employees who work for the company, performs necessary task to make the company function and are responsible for the profit and growth of the company. The study also is in the body of knowledge under the theory of organizational equilibrium, Vroom's expectancy theory and March and Simon organizational equilibrium theory. The authors proposed that desirability of movement and ease of movement are the two main drivers of employee turnover. Retaining top talent is a primary concern for many organizations today and this study recommended that retention strategies should be aimed at retaining highly skilled personnel and at the same time building up under-performers. Feedback on employee performance is vital to building confidence in the retention practices at SAL***

Keywords: training, knowledge, skills, attitude, Strategy, employee performance, Sameer Africa Limited

1. Introduction

Employee Training is an important aspect of human resource management (HRM). Improvement in employee retention is essential to reduce HRM practices cost and overall growth of the organization. In the post colonial period, having a formal employment was considered desirable and sufficient candidates could be found to fill them in the past. Moreover, once employed, workers would often spend their entire careers in those jobs. In areas where there was high turnover, new employees could be recruited easily. Similarly, workers were loyal to their organizations and stayed often on the job until their retirement. As a result of this, employers were loyal to their employees by taking care of them in a more paternalistic way. Interestingly, while today's organizations are indeed different, the challenge of retention is growing.

It is quite sad that businesses today are not adopting some of the strategies used in the past to ensure that more employees are retained. Moreover, most organizations in Kenya, are not being creative in devising strategies to keep their employees. Companies today are not creating an environment which encourages their employees to remain loyal to the organization.

Smith (2001) suggests that there may be several factors involved in why employees leave their job. It could be voluntary, where the employee chooses to leave. It could also be for reasons that may include better career opportunities, increased compensation and broadening of current tasks and responsibilities and boredom with current task. Involuntary turnover occurs when employees are asked to leave for reasons including poor performance or inappropriate behavior. Company benefits, employee attitude and job performance are all factors, which play an important role in employee retention. When a company replaces a worker, the company incurs direct and indirect expenses. These expenses include the cost of advertising, headhunting fees, human resources fee and new hiring cost.

When a business loses employees, it loses skills, experience and "corporate memory". The magnitude and nature of these losses is a critical management issue, affecting productivity, profitability, and product and service quality. For employees, high turnover can negatively affect employment relationships, morale and workplace safety. The cost of replacing workers can be high, the problems associated with finding and training new employees can be considerable, and the specific workplace-acquired skills and knowledge people walk away with can take years to replace.

This study was in the body of knowledge under the theory that a business cannot exist without both financial and human capital, (Davis, 2003). It is the employees who work for the

Company who performs necessary task to make the company function and are responsible for the profit and growth of the company (Ellis, 2000). The study also was in the body of knowledge under the theory of organizational equilibrium, Vroom expectancy theory (1964) and Herzberg's (1974) motivation-hygiene theory.

Theory of organizational equilibrium generally postulates that desirability of movement is commonly defined by the individual's satisfaction with the job, whereas ease of movement generally reflects perceived or actual job alternatives in the external market. Viewed from the perspective of retention, the model suggests that employees will be more likely to stay when they are satisfied with their jobs and believe that there are few alternatives available (Mobley et al., 1979). Vroom expectancy theory suggested that individuals will choose behaviors they believe will result in the achievement of specific outcomes they value. Managers should therefore attempt to ensure their employees that increased effort will lead to higher performance which will hence lead to valued rewards (Heathfield, 2000). In line with Herzberg's (1974) view, unsafe working conditions or a noisy work environment would cause employees to be dissatisfied with their job but their removal will not lead to a high level of motivation and satisfaction other examples of hygiene factors include, salary, status, security, supervision and company policy. On the other hand motivators, leading to job satisfaction are associated with the nature of the work itself. They are those job related practices such as assignment of challenging jobs, achievement, work itself, recognition, and responsibility advancement and opportunities for growth in the job (Breaugh, 2000).

Fitz-enz (1997) stated that there is significant economic impact when an organization loses any of its critical employees, especially given the knowledge that is lost with the employee's departure. It will become significantly more important in the years ahead to recognize the commitment of individuals to an organization, as well as the organization's need to create an environment in which one would be willing to stay (Harris, 2000). To align with great demands, unpredictable business environments as well intense competition, companies are now forced to greatly improve their performance (Muda, Rafiki & Harahap, 2014). A competitive workforce is important to the success of any organization today. In order to stay competitive, most organizations strive hard to ensure that organizational strategies and objectives are aligned with employee's behavior. Therefore, employee performance can be termed as the way in which employees are able to accomplish the organization's goals as well as relate with their interpersonal behavior. Withdrawal behaviors such as turnover, absenteeism and lateness are often reduced by organizations ensuring that they value their employee's commitment. It is with no doubt that these values have serious consequences in terms of the overall performance of the organization (Irefin & Mechanic, 2014)

2. Statement of the Problem

Due to today's competitive market in the tyre industry and a high demand in the public and private sectors for workers in critical areas such as information technology, engineering, accounting, and auditing, the supply of qualified workers is limited and good workforce planning requires a twofold approach of aggressive recruitment and innovative retention strategies. The problem is that, in SAL (Sameer Africa Limited) the retention policies or strategies are not focusing on elimination of unwanted turnover.

According to (Breaugh, 2000), there are those job related practices such as assignment of challenging jobs, achievement, work itself, recognition, and responsibility advancement and opportunities for growth on the job. Fitz-enz (1997) stated that there is significant economic impact when an organization loses any of its critical employees, especially given the knowledge that is lost with the employee's departure.

It is also believed that the costs to the employer as a result of management's inability to retain its employees include separation benefits to the employee, lost productivity, recruitment costs, training costs, and diminished services as new employees get up to speed. Osibanjo, Adeniji, Falola and Heirsmac (2014) in their study mention that compensation is strategic to the goals of any organization and that it ensures employee retention, satisfaction, development as well as better performance of the employees. The study established that there is a positive relationship between salaries, incentives, bonuses, that in turn affect employee job performance. In order to achieve employee satisfaction and retention, it is critical for organizations to have a structured compensation management system.

Hewitt (2002) has mentioned that modern businesses always keep its employees well informed about all the important affairs of its business and involves them in decision-making at all levels which can exploit the talents of its employees. The study recommended that companies should value and ensure that they listen to their employees' ideas.

Iyria, Namusonge and Karanja (2014) found that most companies that are listed in the Nairobi Securities Exchange (NSE) have put in place retention practices that are effective. This is achieved through availability of flexible hours and good compensation packages. The study recommended that firms need to keep valuing and ensuring that their retention strategies are in place. The authors focused on flexible hours and good compensation packages but they did not focus on flexible reward strategies and career development strategies which this study seeks to address. In addition, the said authors focused on a different corporate sector, whereas this study focused on the tyre industry sector. The purpose of the study was to explore the influence of training on employee performance in Sameer Africa Limited.

The General objective of the study

The general objective of this study was To determine the influence of training strategy on employee performance.

The Specific objectives of the study

1) To determine the influence of knowledge on employee performance in Sameer Africa limited.
2) To determine the influence of skills on employee performance in Sameer Africa limited.
3) To determine the influence of attitude on employee performance in Sameer Africa limited.

3. Literature Review

Human Capital Theory

Human capital refers to the intangible resource of ability, effort, and time that workers bring to invest in their work. Gratton and Ghoshal (2003) define human capital as being made up of intellectual capital, social capital and emotional capital. According to the resource-based view (RBV) of the organization, competitive advantage depends on the valuable, rare and hard-to-imitate resources.

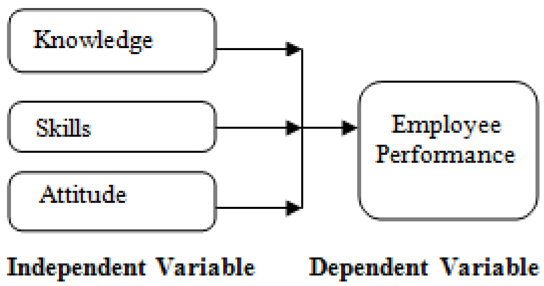
Human capital is such an invaluable resource that it is one of the most important determinants whether the organization can be successful in today's fierce competition. Thus, in order to create valuable virtues, many employers have shifted from the financial capital to the intellectual capital focus. Human capital is 'generally understood to consist of the individual's capabilities, knowledge, skills and experience of the company's employees and managers, as they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning' (Dess & Picken, 2000). As human capital plays an important role in organization's success, more and more employers are aware of the fact that it is of great importance to keep the talented employee in the organization.

The concept and perspective of human capital stem from the fact that there is no substitute for knowledge and learning, creativity and innovation, competencies and capabilities; and that they need to be relentlessly pursued and focused on the firm's environmental context and competitive logic' (Rastogi, 2000).

Such a consideration leads to a crucial point: the accumulation of exceptionally talented individuals is not enough for the organization. There must also be a desire on the part of individuals to invest their skills and expertise in the organization and their position. In other words, individuals must commit or engage with the organization if the effective utilization of human capital is to happen. Additionally, regarding human capital, there must be social capital and organizational (or structural) capital surrounding the essential context. These three forms of capital contribute to the overall concept of intellectual capital.

4. Conceptual Framework

The study adopted the following conceptual framework:



Source: Author 2016

5. Employee Training

Gordon (1992) defines training as the planned and systematic modification of behavior through learning events, activities and programs which result in the participants achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively. Jackofsky, (1984) unambiguously states all organizations will do a better retention job by spending more resources on training. A business that provides education and training will be more competitive and productive and will win the loyalty of its workforce. The training of employees is so enthusiastically embraced as a key factor to good retention is no doubt due to the fact that well-developed training programs are becoming ever more essential to the ongoing survival of most modern companies, whether or not retention is an important issue to that company. To the extent that operational paradigms such as "The Learning Organization" or the "Knowledge-Based Organization" continue to take hold in the contemporary business world, training is only likely to become more important. In any event, retention reflects a desire to keep one's valued people; but it is just as much about keeping and managing the skills that a company needs to meet its goals. The provision of training is a way of developing those skills in the first place. The fact that providing it also turns out to be a benefit that is highly valued by those who receive it makes for a very powerful approach to doing business. Because training is so fundamental to the operation of a business, it goes against intuition to suggest that training is to be thought of primarily as "retention" tool. Few examples have been encountered in which the development of skills at work was ever consciously introduced as a way of retaining people. Nevertheless, countless studies tend to confirm the fact that a good part of the satisfaction or dissatisfaction of workers is associated with issues related to their professional development.

A recent study by Duxbury and Higgins, quoted in Beauregard and Fitzgerald (2000), found that over 40 per cent of small business employees are dissatisfied with the amount of training they receive. The study also found a strong correlation between the dissatisfaction and frustrations surrounding the lack of opportunities to develop skills, and both an employee's intention to leave as well as the incidence of absenteeism. Similarly, a 1999 Gallup poll named the lack of opportunities to learn and grow as one of the top three reasons for employee dissatisfaction (B.C. Business, 2001), and other studies have offered similar conclusions (BHRC, 2002). Furthermore, the evidence seems to confirm that the link between training and retention is even stronger for more highly skilled workers (Kaiser and Hawk, 2001).

Employee training plays a vital role in improving performance as well as increasing productivity. This in turn leads to placing organizations in the better positions to face competition and stay at the top. This therefore implies an existence of a significant difference between the organizations that train their employees and organizations that do not. Some studies look at performance in terms of employee performance in particular (Purcell, Kinnie & Hutchinson 2003; Harrison 2000) while others have extended to a general outlook of organizational performance (Guest 1997; Swart et al. 2005). In one way or another, the two are related in the sense that employee performance is a function of organizational performance since employee performance influences general organizational performance. In relation to the above, Wright & Geroy (2001) noted that employee competencies change through effective training programs. It is therefore not only improves the overall performance of the employees to effectively perform their current jobs but also enhances the knowledge, skills and attitude of the workers necessary for the future job, thus contributing to superior organizational performance. Training has been proved to generate performance improvement related benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior (Appiah 2010; Harrison 2000; Guest 1997).

6. Research Methodology

A case study research design was selected because this brought a researcher to an understanding of a complex issue and extended experience or add strength to what is already known through previous research. Case studies emphasizes detailed analysis of a limited number of events or conditions and their relationships, (Yin,1997). Time and availability of data are also important considerations in the determination of the case study.

According to the HR manager of Sameer Africa Limited, the sample population of this research study was made of thirty two employees comprising of senior and junior level staff in the various departments and with specific duties and responsibilities at Sameer Africa Limited (SAL). The underlying reason was that respondents would be in good position to mention the role of employee retention strategies on the job performance at SAL.

Table 3.1: Sample Size

Department	*Frequency*	*Sample size*
Finance	6	6
ICT	4	4
Admin and HR	10	10
Sales	12	12
Total	**32**	**32**

Source (www.sameerafrica.co.ke)

The questionnaires were used to collect data in this study. The questionnaires contained a series of structured questions that were related to the research work and directed to respondents with the aim of gaining first-hand information. The questionnaire consisted of both open ended and close-ended questions. Thus, in some cases, respondents chose the options that best reflect their opinions. The questionnaire afforded respondents much flexibility and privacy in answering the questions without any undue influence.

Qualitative analysis was done on the information collected from the results of the questionnaires; quantitative analysis was included, both descriptive and inferential statistical techniques were used. Descriptive statistics was used to analyze the quantitative data. The findings were presented using tables, graphs and pie charts.

7. Results and Discussions of the Findings

The study through the questionnaires asked the employees to provide their opinion on selected thematic area using a tool developed based on the Likert scale with the scores ranging from 1-4ranging from strongly agree to agree to disagree to strongly disagree being used to indicate their agreement with the question.

The survey was administered to 16 randomly selected employees of Sameer Africa Limited with all the employees (100%) of the respondents responding to the question. Out of all the respondents 50% strongly agreed that training is a key factor and indeed relevant in job performance while a staggering 75% agreed that training was relevant to job performance. Only 25% of the respondents surveyed disagreed and felt that training was not a key factor in their job performance as shown below.

Figure 4.1: Relevance of job performance

The survey found that 62.5% of the respondents were of the view that the training offered to them by Sameer Africa Limited was applicable to their job while another 12.5% agreeing whereas only 25% were of the view that the training they had undergone was not applicable to their jobs.

Table 4.1: Applicability of training to job

How applicable was the training to your job					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	20	62.5	62.5	62.5
	Agree	4	12.5	12.5	75.0
	Disagree	8	25.0	25.0	100.0
	Total	32	100.0	100.0	

The survey found that up to 75% of the staff felt that the training improved their skills in relation to their job while 25% felt that it did not improve their skills in relation to their job.

Majority of the employees who had undergone training felt they had acquired new capabilities as a result of the training and were consequently better able to perform better in their positions within Sameer Africa Limited

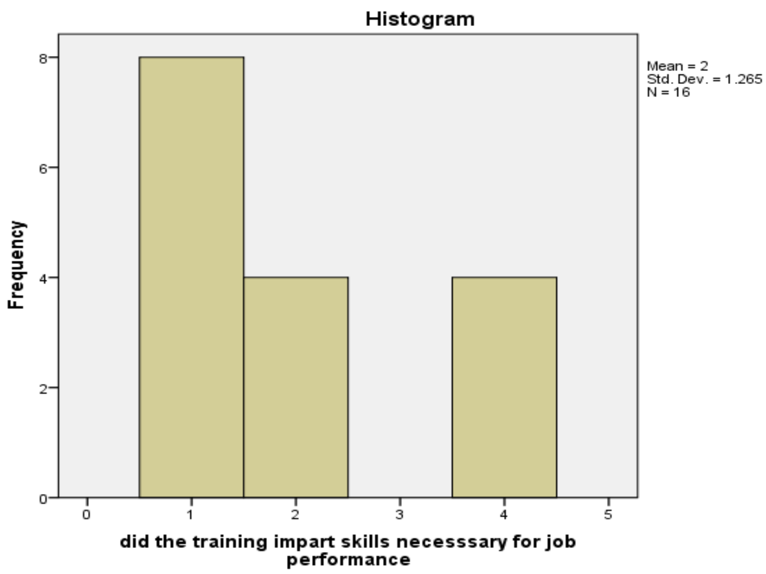


Figure 4.2: Training impact necessary skills

Jackofsky (1984), as sets out in his literature confirms that organizations will do a better retention job by spending more resources on training. These sentiments are evident by the finding of a business that provides education and training will be more competitive and productive and will win the loyalty of its workforce with up to 75% of the employees of

Sameer Africa Limited confirming that they are likely to stay with the company as a result of training opportunities offered by the company.

It therefore comes as no surprise that Sameer Africa Limited has so enthusiastically embraced as a key factor to good retention which no doubt due to the fact that well-developed training programs are becoming ever more essential to the ongoing survival of most modern companies, whether or not retention is an important issue to that company.

8. Summary of the findings

Findings of the study noted lack of training and development policy in the institution as attested by majority of the respondents although Sameer Africa Limited has sponsored training to at least all the respondents who were surveyed. Due to limited funding though the research could not ascertain the criteria Sameer Africa Limited use for selecting employees for training. The training offered to the employees was found to have impacted positively and reflected in their job performance. The survey could also not tap into fully into the employees to ascertain their views as majority of them had not had an opportunity for training and development to be able to participate in the survey for ascertaining training strategies effect on employee performance.

Results from the descriptive statistics found that 75% of the staff felt that the training improved their skills in relation to their job and that they were more motivated and satisfied in their work as a result of the training. Majority of the employees (755%) who have undergone training felt they had acquired new capabilities as a result of the training.

This indicates that improvements directed on these attributes are likely to have significant and positive impact on overall employee performance. Owen (2006) study on the relationship between training and organizational outcomes found that to be true. He found that employee's in training programs will report higher levels of commitment and will be less likely to consider quitting the job.

9. Conclusions

In today's knowledge economy competitive advantage is increasingly coming from the hard-to- duplicate know how of a company's most skilled employee and one of the most important benefits that can be offered by the institution is employee's personal development. For any organization to succeed, training and development of all staff in form of courses, workshops, conferences and seminars should be vigorously pursued. From the survey findings, most Sameer Africa Limited employees want to learn more, enlarge their education, and become more valuable to the institution.

10. Recommendations

In order to ensure that Training strategies are easily accepted and effectively adopted there is need for passing of proper knowledge, skills and attitude to be passed to employees in the best way possible, during the implementation of the three strategies process; this will enhance the performance of employees in Sameer Africa limited and any other organization in Kenya.

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