

# Influence of Training on the Employee Performance at Wells Fargo Kenya Limited

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**Abstract:** *Every security company needs to understand and implement strategies that will enhance the performance of employees in order to get desired results from them. This is becoming more challenging and difficult due to competitive nature of corporate environment and the dynamics in the complexion of the security. Therefore, this study focused on influence of job performance of employees in private security sector with a case of Wells Fargo Kenya Limited. The specific objectives included; determining the influence of training on the employee performance at Wells Fargo Kenya Limited, to establish the influence of motivation on the employee performance at Wells Fargo Kenya Limited and to assess the influence of work-life balance on the employee performance at Wells Fargo Kenya Limited. The study adopted case study design. Questionnaires were the main tools that were used to collect data. The target population was 4,200 management staff. Data collection was done via open ended and close ended questionnaires. The analysis was done using Ms. Excel and presentation of the information was in form of descriptive statistics such as tables, graphs and charts. The findings from this study will be helpful to the private security companies, policy makers and scholars as justified in the study.*

**Keywords:** Training, Skills, career development, Annual training development employee performance. Wells Fargo Kenya Limited

## 1. Introduction

The current business environment is unpredictable due to intense business competition, therefore, the companies are required to reach certain standards by improving their performance to align with such great demands; otherwise, a lot of problems will surface, including running the risk to close down the business (Gupta, 2010). This performance relates to the business or individual level that sees the human resource becoming the most determining factor to achieve the organizations' objectives. In fact, an abundance of resources such as infrastructures or physical facilities becomes meaningless without the support of qualified human resources that directly disrupt the continuity of the business operations. Within the framework of the professionals, good employee performance reflects the ability to contribute through their works leading to the behavioral achievement that is in accordance with the goals of the company. Meanwhile, the level of the enterprises' success depends on the performance of the human resource management. Choudry (2009) in his study Determinants of Labor Productivity, notes that Africa and south Asian countries (except India) performance in labor productivity is not very encouraging. Labor productivity level in 2005 in sub-Saharan Africa economies was the lowest among all regions. He further emphasized the need to pay more attention on average education attainment level, producing productive employment to attract foreign direct investments. Human resources management practices have significant impact on organizations productivity. Abdulla (2009) points out that training and development, team work, human resources planning and performance appraisal are correlated with an organizations business performance.

According to Armstrong and Murlis (2007), reward systems and recognition are consistently acknowledged by organizations and managers as an important tool in motivating individual employees. Reward systems are the clearest ways managers and leaders of an organization can send a message to employees about what they consider

important. A great deal of the way employees behave in an organization is influenced by the way they are measured and rewarded (Kasser, 2002). According to Attwood (2006), traditionally most reward and recognition programs were vague and often given in response to managers' perception of when an employee performed exceptionally well. There were no set standards by which exceptional performance could be measured, and it could have meant anything from consistent punctuality, assisting other departments or even having a good attitude. While according to Blyth (2008), things have changed in current organizations, as many firms understand the great benefits achieved by incorporating rewards, job satisfaction, motivation and performance with their business strategies. To achieve desired organizational goals, reward systems should be perfectly aligned to organizational strategies (Allen and Helms, 2002).

Bruce (2004) points out that under-management is the underlying issue in most cases of suboptimal work performance at all levels. The undermanaged employee struggles since the supervisor is not sufficiently engaged to provide the direction and support needed. In their study Gupta (2010) notes that cohesion has a significant positive impact on performance. An employee operating in an environment that has good team cohesion is likely to dedicate effort towards realizing the expected performance levels. Performance appraisal plays a significant role in defining an employee's performance.

Training facilitates the updating of skills and lead to increase commitment, wellbeing, and sense of belonging, thus directly strengthening the organization's competitiveness (Acton & Golden, 2002; Karia & Ahmad, 2000; Karia, 1999). Training has the distinct role in the achievement of an organizational goal by incorporating the interests of organization and the workforce (Stone R J. Human Resource Management, 2002). The primary role of training is to improve the employees' skill for current and future duties and responsibilities.

Work environment is the sum of the interrelationship that exists within the employees and between the employees and the environment in which the employees work (Kohun, 1992). There are key factors in the employee's workplace environment that impact greatly on their level of motivation and performance. In addition to motivation, workers need the skills and ability to do their job effectively (Chandrasekar, 2011). Most people spend fifty percent of their lives within indoor environments, which deeply influence their mental status, actions, abilities and also their performance (Sundstrom, 1994). Good results and increased output is assumed to be the result of better workplace environment. Better physical environment of office will boost the employees and finally improve their productivity (Carnevale, 1992).

In Kenya studies like Kiragu (2002), Obong'o (2009) and Kim (2005) had indicated that there are factors that created differences in how public sector organizations coped with change. The main factor was that the performance aims of most public sector organizations differed from firms in the private sector whose strategic transformation were to produce profit.

## 2. Private Security Industry in Kenya

In Kenya, the private security industry is one of the fastest growing sectors of the economy and it is a significant employer. In 2004, the industry was valued at \$43 million and provided employment to about 50,000 Kenyans. It is spread across the country, although it is much more visible in urban centers than it is in rural areas. The private security industry fills the gaps that government may be unable to bridge using their security architecture (Mkutu & Sabala, 2007). Currently in Kenya there is no specific government oversight body to regulate the private security industry, consequently there are over 2,000 security companies operating in Kenya. Approximately 30 PSCs are members of the Kenya Security Industry Association (KSIA). This means that majority fall outside the ambit of the industry self-regulation mechanisms. Besides, a sizeable number of locally owned security companies operate illegally, since they are not registered with government authorities. Therefore, many companies pay little attention to service standards. To bridge the gap KSIA was formed by companies in need to comply with the set standards which are drawn from the Laws of Kenya, internationally accepted technical and systems specifications, and the professional experience of all member companies, to establish a set of benchmarks. The study therefore evaluated the extent of implementation of set service standards to enhance service quality by private security firms so as to advice relevant bodies on the same (KSIA, 2005)

## 3. Statement the problem

In the Security industry, having a high motivated workforce helps in giving an organization a competitive advantage in the dynamic business environment that organizations operate. Furthermore the security industry is labour intensive, therefore what matters most is the number of guards an organization has and their level of competence and commitment to their duties. In this industry, there have

been several complaints raised by employees, for instance, poor working conditions, low salary and wages, and harassment. And to eradicate this problem a study needs to be conducted to find ways of improving employees' performance and this prompt the researcher to study the influence of drivers of employee performance in the private security industry in Kenya

### General objective of the Study

To determine the influence of training on the employee performance at Wells Fargo Kenya Limited.

### Specific objectives of the Study

- 1) To determine the influence of Skills on the employee performance at Wells Fargo Kenya Limited.
- 2) To determine the influence of career development on the employee performance at Wells Fargo Kenya Limited.
- 3) To determine the influence of Annual training development on the employee performance at Wells Fargo Kenya Limited.

## 4. Theoretical Framework

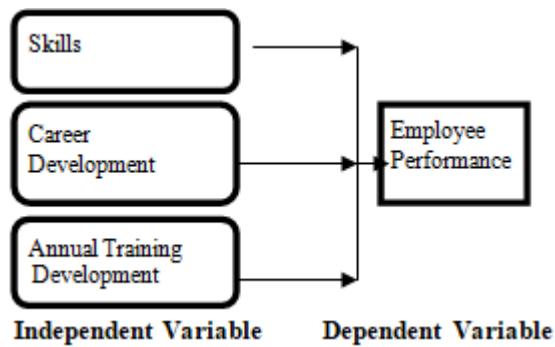
### Goal Theory

Goal theory also guided this study. The theory proposes that human beings are more motivated to act when there is a reward at the end of the performance of a task or behaviour. The goal theory proposes that a reward at the end of a task acts as a motivation for the performance of that said task (PSU, 2014). The reward, however, should be clearly stated. The end state can be the reward itself. It is proposed that to have an efficient goal, three components must exist: proximity, difficulty, specificity and feedback (Femi, 2013). An ideal goal is a goal where the time between the reaching out and the end state is close. Further, it should be moderate in difficulty, neither too easy to present some challenge, nor too difficult, so that success can be possible. The theory also underscores the specificity of the goal. The individual must understand what is expected out of him, to start out for the goal. A specific goal gives direction of focus to that specific goal and away from distractions. Feedback is necessary for measuring progress towards the goal and makes it possible to know whether the level of efforts is adequate and in proper direction or needs corrections (Wanjala & Kimutai, 2015).

The relevance of this theory to the research study can be attributed to the works of (Locke & Latham, 2002; Locke & Latham, 2006) that highlights four mechanisms that connect goals to performance outcomes. First, goals direct attention to priorities; that is when specific goals are set for workers, it drives their attention to priorities of achieving the goals. Second, they stimulate effort, whereby goals set are attached to specific reward system that stimulates workers to work better and effectively. Third, they challenge people to bring their knowledge and skills to bear and increase their chances of success. Fourth, the more challenging the goal, the more people will draw on their full range of skills. You also need to find some citations to offer support for the arguments here.

## 5. Conceptual Framework

The study adopted the following conceptual framework:



Source: Author 2018  
Conceptual framework

### Training

Armstrong (2010) defines training as the use of systematic and planned instruction activities to promote learning. Training could also be defined as a set of activities which react to present needs and is focused on the instructor and contrasts with learning as a process that focuses on developing individual and organizational potential and building capabilities for the future (Reynolds, 2004). Training is the systematic development of the attitude and skill behavior pattern required by an individual in order to perform adequately a given task (Oliseh, 2005). He states that training is designed to change the behavior of the employee in the work place in order to stimulate efficiency and higher performance standards. Training of employees is equal to investing in the organizational most important asset which is the employee. It develops their skills, changes their attitude towards work and builds their loyalty to the company hence improved performance. Training also helps build the foundation for career advancement hence staff recognition through promotions. This leads to job satisfaction. Training and development practices are aimed at enhancing employees' personal qualities that lead to greater organizational performance. Training is aimed at helping the employees obtain knowledge and skills required in performing and being able to develop their abilities to the full, within the areas that are relevant to the organization. For training to be effective, it should improve the performance and ability of the trained employee.

There exists a positive association between training and employee performance. Training generates 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 (April, 2010). Organizations that are dedicated to generating profits for its owners (shareholders), providing quality service to its customers and beneficiaries, invest in the training of its employees (Evans and Lindsay, 1999). The more highly motivated a trainee, the more quickly and systematically a new skill or knowledge is acquired. That is why training should be related to money, job promotion, and recognition, i.e. something which the trainee desires (Flippo, 1976). There are four prerequisites for learning: Motivation comes first. Cue is the second requirement. The learner can

recognize related indicators (cue) and associate them with desired responses with the help of training. Response comes third. Training should be immediately followed by positive reinforcement so that the learner can feel the response. Last is the feedback; it is the information which learner receives and indicates in the quality of his response. This response must be given as quickly as possible to make sure successful learning (Leslie, 1990).

Performance can be defined as the achievement of specified task measured against predetermined or identified standards of accuracy, completeness, cost and speed. In an employment contract, performance is deemed to be the accomplishment of a commitment in such a manner that releases the performer from all liabilities laid down under the contract. Efficiency and effectiveness are ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance (Cooke, 2000). Kenney et al., (1992) stated that employee's performance is measured against the performance standards set by the organization. Good performance means how well employees performed on the assigned tasks. In every organization there are some expectations from the employees with respect to their performance. And when they perform up to the set standards and meet organizational expectations they are believed good performers. Functioning and presentation of employees is also termed as employee performance. This means that effective administration and presentation of employees' tasks which reflect the quality desired by the organization can also be termed as performance. While much is known about the economics of training in the developed world, studies of issues associated with training in less-developed countries are rarely found. Job characteristics and firm background were found to play key roles in determining training provision. Workers who received off-the-job training were less likely to receive on-the-job training, while those who received on-the-job training were neither more nor less likely to have received off-the-job training.

However, a complementary relationship was found between receiving informal training and receiving on-the-job or off-the-job training. Earnings differentials were not found to correlate with different types of training. Unlike in developed countries, training in China was usually intended to remedy skills deficiencies, rather than enhance productivity (Ying Chu Ng, 2004). There is a positive relationship between training and employee performance.

Mutsotso (2010) points out that education and training increase employees' job skills, and their perception towards efficiency and effectiveness in carrying their operations. It further causes employees to exhibit higher feelings of satisfaction, motivation and consequently increase in production. This therefore means organizations that have high capacity building are likely to experience increased performance characterized by a motivated workforce. Skills building initiatives are very important to employees. Hameed (2011) note that the skills building activities performed by organizations indicates that the organization cares for its employees. While many organizations invest in their employees, the employees on the other hand derive job satisfaction from their work that in turn leads to increased

employee performance. However, this development depends on the individual employee's willingness to develop, organizational culture, top management attitude and organizational opportunities for growth. Gong (2009) in his study noted that managers play a great role in building employees creativity. They need to create conditions for the learning orientation to take hold and bring forth creativity. They are instrumental in providing an environment that stimulates and nourishes creative self-efficacy. They need to serve as creative models; they can instruct their employees on creativity-relevant skills and provide hands-on opportunity to apply these skills. Creativity is significant since it provides opportunity to learn new skills and hence improve on employee productivity.

## 6. Research Methodology

The study design provides the layout in which the research study was carried out. The focus was to establish the influence of training on the employee performance at Wells Fargo Kenya Limited. A case design was embraced in this study and questionnaires were used to collect data. It was largely rely on a qualitative approach by seeking to capture detailed information about the influence of training on the employee performance. The research approach was through a case study approach where Wells Fargo Kenya Limited was used as a case. This method was preferred because it allows for an in depth study of the case. The research used questionnaire to gather information (Mugenda & Mugenda, 1999). The target population was all the employees of Wells Fargo Kenya Ltd. The Company has a total of 300 employees spread thought the country in different levels and different departments (www.fargo.co.ke). Population targeted comprised of all the levels of the employees of the organization. The respondents were chosen based on knowledge they are possessing about the drivers of job on employee's performance it was sufficient to allow generalizations of ideas on drivers of job performance at Wells Fargo Kenya Ltd and the wider private security companies in Kenya. Mugenda and Mugenda (2003) argues that sampling is that part of the statistical practice concerned with the selection of individual or observations intended to yield some knowledge about a population of concern. They advise that a researcher sample size of 10% to be appropriate as long as the sample size is more than 30, ( $n > 30$ ). The sample size was 32 respondents. The sample size therefore were all the 32 picked from three departmental heads that is management, team coordinators and security guards as this number was small and manageable for the distribution of questionnaire and a descriptive study was analyzed based on secondary data obtained from available procurement records derived from the website of retrieved from the procurement registry. 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 statements were made supporting the level of agreement with the statements that are relating to the influence of

training on employee Opinions on the statements relating to the training.

Statement	5	4	3	2	1
Training as a strategy leads to clear outlook of a situation more accurately, of defining your place in a situation in terms of important values and this increases productivity.	42%	32%	4%	14%	8%
When an organization engage in off job training activities, it When an organization engage in off job training activities	44%	24%	8%	14%	10%
Training as a strategy is likely to bring changes and challenges to identity-relevant relationships at work leading to enhancement of activities.	40%	32%	4%	16%	8%
When the firm engage its members in annual training as a strategy to address the issue of innovation, employees become more productive.	42%	20%	4%	12%	22%

The following discussions are the details gathered to aid in collecting information regarding the question of training of employees in an organization. On the statement of training of employees as a strategy leads to a clear outlook of a situation more accurately, majority 74% agree, 4% are not sure while 22% hold a disagreeing opinion to the statement the findings disagreed with the findings of Choudry (2009) on Determinants of Labor Productivity where majority of the respondents notes that most countries in Africa on performance and labor productivity discovered that when employees are not trained they will find jobs not very encouraging. From the findings, it is clear that training of employees in an organization leads to a clear outlook of a situation more accurately.

On the statement regarding When an organization engage in off job training activities, it will lead to career development and increased employees production, majority of the respondents 76% agrees , 8% are neither in agreement nor disagreement while the rest 24% disagrees the findings agrees with the study conducted by (Acton & Golden, 2002). Training facilitates the updating of skills and lead to increase commitment, wellbeing, and sense of belonging, thus directly strengthening the organization's competitiveness

On the statement. Training as a strategy is likely to bring changes and challenges to identity-relevant relationships at work leading to enhancement of activities, 66% majority are in agreement, 10% are not sure while the remaining 24% disagree. Therefore this means Training as a strategy is likely to bring changes and challenges to identity-relevant relationships at work leading to enhancement of activities. On the statement. When the firm engage its members in annual training as a strategy to address the issue of innovation, employees become more productive, 62% of the employees agree, 4% are not sure and the rest 34%

disagreed. From the findings, it is clear that knowledge acquisition should be encouraged to enhance delivery.

## 8. Conclusions

The study sought to find out if the organization often organizes internal training of their employees and found out that majority agree. This indicates that. On the statement of training of employees as a strategy leads to a clear outlook of a situation more accurately, majority agree, while minority are in disagreement opinion to the statement. From the findings, it is clear that training of employees in an organization leads to a clear outlook of a situation more accurately. On the statement regarding When an organization engage in off job training activities, it will lead to career development and increased employees production, majority of the respondents agrees as the minority of the respondents are neither in agreement nor disagreement while the rest.

On the statement. Training as a strategy is likely to bring changes and challenges to identity-relevant relationships at work leading to enhancement of activities, majority are in agreement, while the minority disagree. Therefore this means Training as a strategy is likely to bring changes and challenges to identity-relevant relationships at work leading to enhancement of activities. On the statement. When the firm engage its members in annual training as a strategy to address the issue of innovation, employees become more productive, majority are in agreement with the statement, as the minority of the respondents disagreed.

## 9. Recommendations

The study sought to find out if the organization often organize training of their employees and found out that internal training of employees are often done and this has contributed towards increased and efficient performance of the organization hence more training should be provided to the employees and this will be perceived as a driver of the employee performance.

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