CHAPTER-2

REVIEW OF LITERATURE
INTRODUCTION

Literature survey is a process of developing an insight into both the conceptual and research based studies available on the area and the topic chosen. The objective of such a review is to understand the importance of the topic and find out research gaps, if any, in the chosen area. Thus, the review of literature in the present study consists of published research based and conceptual based studies available in India as well as abroad. The organization of the review was done on the basis of chronological arrangement of the studies related to Training & its Impact. Though there were innumerable studies available on the topic, the researcher discussed the most important studies on choice basis. The review of literature sheds light on the impact of training and highlights the issues that may be pertinent to the study. Hence, the contributions of the following authors are worth mentioning.

REVIEW OF LITERATURE

Noe and Schmitt, (1986) highlighted that high job involvement is linked with fewer absences and lower turnover rate. Employees’ are more concerned about their job performance, and are constantly looking for ways to improve their effectiveness if they rank high on job involvement. One way to improve employee performance is to efficiently transfer the skills and knowledge acquired during training to the actual job. Employees ranking high on job involvement are more motivated to learn and transfer skills to the actual work setting.

Mc Lagan (1989) in his report confirmed the increasing strength of the link between the three classic elements of human resource development –individual career development, organizational development and training. There is extensive evidence that investment in employees’ training enhances the human capital of the organization, which later results in a positive relationship between employee training and organizational performance.

Leslie, (1990) highlighted that 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.

T.V Rao (1990) in his book on “The HRD Missionary –Role and Functions of HRD Managers” has stressed that the role and functions of HRD manager and department are not merely that of an executor but instead achieving the effectiveness by way of organizational vision & mission is their central responsibility. The attention to the people in the organization is extremely vital as it is a two way process as people look towards HRD department as a savior for their ills. Under such circumstances it becomes mission for HRD manager to be a beacon when times are turbulent. This ultimately leads to increasing expectations from all functional managers, workmen and unions from the HRD department and the person who is heading it.

Adler (1991), stated that in an era of rapid high-technology changes, all indicators show that the move of technological innovation will continue to accelerate in the future. In an environment of rapid change, it is clear that an individual must be able to adapt to meet new challenges. That is, changing technologies continue to alter the nature of work tasks, requiring employees to learn new knowledge and skills to perform their jobs. Training is one of the crucial strategies for organizations to assist employees to gain those necessary knowledge and skills needed to meet the challenges. More recent studies indicated that today's organizations will face two oncoming trends, the increasing age of the workforce and the increasing introduction of new technologies, and suggested that training is especially critical, as the workplace introduces further new technologies, such as web-based operation, computerized intelligent systems, and other task technologies.

Gordon, (1992) stated that 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. 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’.
Kenney et al., (1992) stated that employees’ 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 employee tasks which reflect the quality desired by the organization can also be termed as performance.

Kramer, (1992) stated that ongoing education and training is an effective means of overcoming cultural barriers of Advanced Manufacturing Technology (AMT). However, management often grossly underestimates the cost and time involved in educating and training workers. Education re-orientates employee towards required organizational restructuring by motivating employees to be committed to change. Education accomplishes its objectives by openly and honestly addressing the issues of job security, job redesign and job position. Training provides cognitive, cross-functional, evolutionary learning of procedural and functional knowledge of AMT. Properly educating and training employees in it, creates a competitive advantage. Measuring the success of operational delivery is the task of the next phase – post-audit feedback.

Snell and Dean (1992) found that the use of Advanced Manufacturing Technology (AMT) and the use of quality practices were both associated with the ‘comprehensiveness’ of employee training. But they found no interaction effects from the use of these practices in combination.

*K Jayshankar (1993) in his report stated that* “Darwin’s notion of survival of the fittest applies not only to the biological world but to the industrial organizations as well”. In the absence of the proper training culture, it will not be possible for the organizations to survive and stay in the competition. Therefore constant training is very much necessary and to all levels. The minus point of the industrial training is the restricted budgets and training is provided to few selected employees, whereas as it should be provided to all. Therefore what is necessary is serious top management commitment to training activities with the realization
that training is a strategic tool to evolve sustainable competitive advantage for the creation of the positive thinking employee team. Well focused and planned training interventions produce multiple benefits to an organization.

Buechtemann and Soloff (1994) in their report stated that major investments in human capital, both in the form of education and workforce training and in the form of research and development activities, appear to be an increasingly indispensable condition for enabling firms to move towards new markets and up-scale market segments that yield higher economic returns than standardized mass-commodity markets.

Lorriman (1995) highlighted that in Japan, training continues during the whole career of the individual, through the management ranks and, therefore, human resource development remains unbroken. Japan’s main strengths are in its very effective educational system, the approach to training and the role of managers.

Martin Sloman (1996) has given numerous questionnaires, survey instruments and specimen documents. The book also contains the findings of survey of best training practices carried out among UK National Training Award winner. As opined by the author himself, the primary beneficiaries of the book are those responsible for managing training activities in the organization. The book outlines the new context of training and the changes in the position of the training function within human resource. It defines shifts to more practical approach as what the training manager has to do in the organization to promote the training. Much of the emphasis is laid on the recognition that training is the joint responsibility of management, human resource and training specialists. The role of the training and place of the trainer is discussed in detail.

D’Arcimoles (1997) examined the effects of employee training upon the financial performance of sixty one French firms and found that there were significant, immediate and lagged effects. Expenditure on training by firms was associated with ‘immediate and permanent’ improvements in productivity and profitability leading D’Arcimoles to find that “substantial training expenses seem to be a good sign of future economic performance”.
Mondy et al (1998) states that while arguing for the increasing importance of persistent deployment and continuous training, reference is made to a global increase in the required level of qualifications, as well as those qualifications becoming ever more quickly outdated.

P.P. Arya & R.P Gupta (1999) in their book on “Human Resource Accounting” have highlighted that Human capital structure is gaining significant grounds for growth of corporate sector worldwide. Countries like Japan, which are competitive and have gained edge over others basically, rely upon their quality of people. Optimum utilization of manpower therefore is very vital for survival and growth of an organization. Hence for such utilization development of people is of core value to achieve better equilibrium. Almost all large size organization have separate HRD department and therefore Training & Development is a natural intervention. Since India is emerging as a global giant, it must acquire competence in preparing an army of trained and skilled manpower.

Cooke, (2000) also suggested that 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.

Phil Race (2000) has introduced one of the most generally preferred training models used in developing training programs which can achieve the objectives of that organization. This training model is known as the “ADDIE” training system which consist of the following five elements making up the ADDIE model: Assess, Design, Develop, Implement and Evaluate. One can use these five planning elements in the model when in the developmental and planning stages of a new training program to develop a very effective training program, and once all of the individual phases making up the model have been implemented, the model then closes the loop in the training developmental cycle by validating the effectives of the training program. The evaluation and validation of any training process is a very important key element not to be overlooked or treated lightly in the development of any training
development process. The evaluation and validation data (testing results) shows us where and/or what is needs to be changed in training program to improve it.

R.B.K Mittal (2000) in his book “Handbook of Effective Management Training “ has benchmarked the importance of effective training helps a new employee feel assured and comfortable in the new environment, which is critical for early uptake in the new role. A new entrant should culturally fit in an organization and interaction at this stage shapes an individual's disposition and outlook for work and motivation levels. It is during effective training that a new employee gets to know about the organization’s employment philosophy, culture and values along with key business processes and his responsibilities. The importance of effective cannot be underestimated, especially in the knowledge intensive sector, where technical knowledge is critical to the survival of an employee. Such programs are all the more important because employees have to get accustomed not just to the key processes but also to the quality philosophy in terms of compliance and quality management systems.

Ajay Singh (2001) has emphasized that the impact of human resource is of supreme importance, preferably because most troubles and tight spots in the organizations are human and social rather than material and mechanical. And if this is not recognized, then the loss is immense and irreparable. No business organization can afford to overlook this precious wealth of resource. Thus managing this resource with utmost care consists of work philosophy. It includes organizational essentials such as authority lines, relationships, lines of command, communication channels, set of rules and regulations, organizational policies, vision and mission, work content and culture.

Jack Phillips (2002) in his book on "How to Measure Training Results" presents practical tools for collecting and measuring six types of data critical to an overall evaluation of training? This timely resource includes dozens of reproducible tools and processes for training evaluation; it shows how to measure both financial and intangible/non-financial results. Training today is too costly and the results of ineffective training too far-reaching--to be left to chance. Use the real-world-proven tools, worksheets, and processes in "How to Measure Training Results to take a dramatic leap forward in measuring the success of
training programs, and move to a new level of accountability, effectiveness, and measurable impact on organization’s ROI.

Brooke (2003) has highlighted that the term on the job training (OJT) appears consistently in the Japanese orientation schedules. On the personal front, the new recruits will live together, play together, compare notes, help each other, and form a cohort, a factor which will prove to be most important throughout their career. When quality, production or design problems occur in the future, such networks will greatly assist in the coping with the human dimensions. Personal goals, insights, ambitions and relationships are all part of the corporate concern during the critical period of orientation.

Devendra Agochiya (2003) in his book on “Every Trainer’s Handbook” has highlighted that Training is considered as a tool for HRD. Training has immense potential in transfer and utilization of latest technical know-how, leadership development, organization of people, formation of self-help-groups, mobilization of people as well as resources, empowerment of resource-poor rural mass, entrepreneurship development, etc., which are considered essential components of HRD. With the background of potent challenges, management has to reorient with fresh outlook, approach and attitude. The management training must keep pace with the changing times. This calls for systematic, logical and up to date training for continued growth, an insurance against obsolescence and decompose.

Paul J Jerome (2004) in his book on “Evaluating Employee Performance” has stated that the evaluation, in terms of new or improved skills, knowledge and attitudes, is the primary aim of a training event. Learning can be measured objectively using a test or exam or some form of assessed exercise. If an employee has to achieve a certain level of learning to obtain a pass mark, then the number of passes may be used as an evaluation measure. Another important aspect of learning is the degree of retention – how much of the learning has stuck after the course is over. If an employee has learned something from a course, you hope that this will be reflected in their behavior on the job. If an employee employs what they have learned appropriately, then their work behavior will meet desired criteria.
RESEARCH GAP

Extensive review of literature is done on the said topic and the earlier studies have revealed facts about:

• Employee’s learning's from the training provided.
• Methodology used for development of Manpower.
• Roles & expectations from HRD Manager & Dept.
• Importance of training.
• Beneficiaries of effective training.
• Training need identification (TNI).

Whereas the topic of my research highlights the Impact which training carries forward through the performance of employees and its comparison. A detailed study was conducted in 20 large scale manufacturing companies situated all over Ahmednagar District. The Employee Training practices adapted by these organizations and its impact on their employees was studied in depth. Certain suggestions and recommendations are been made so as to adapt a process of imparting need based training and there by measuring impact of such valuable training through performance of employees.

The review of the literature done so far made the researcher to understand that training is about changing the people. The process of setting objectives defines what changes we intend to make, and make possible the assessment of those changes. Determining whether or not the training has been effective and worthwhile is difficult, but number of methods has to be developed to make this exercise possible and to find out evaluation strategies. The strategies and usefulness of training evaluation to find out its effectiveness was demonstrated in the studies made by many authors. With this focus in mind the further chapters have been developed.
REFERENCES


