

## THE EFFECT OF STAFF TRAINING ON EMPLOYEE PERFORMANCE AT GRAPHIC COMMUNICATIONS GROUP LIMITED, GHANA

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### ABSTRACT

Although training plays a critical role in organizational performance, it is viewed differently in different organizations. It may be considered as unnecessary or underused. The study determined the effect of staff training on the performance of Graphic Communication Group Limited (GCGL). Structured questionnaire was used to gather information for the study. Perceptions of employees of GCGL about their frequency of training and the organizational performance were measured by adopting the Five-point Likert Scale. Two Hundred (200) employees responded to the questionnaires representing a response rate of 55.6% of the size of the population. This was a descriptive study and the Analytical tools used were simple regression, chi-square and correlation matrix with the aid of SPSS. The performance of product quality and customer satisfaction were both rated 'high' by the employees while the other indicators of performance received 'average' rating. There is a moderately strong relationship between the extent of training and organizational performance for some training and performance indicators. The study has established that the extent of staff training at GCGL has the positive effect on the performance of the organization. Future studies should consider expanding the scope of the study to include other organizations.

**KEYWORDS:** Training, Organizational Performance, Human Resource & Survey

### INTRODUCTION

Staff training is pivotal for the implementation of the strategic goals of every organization. Strategic goals set are expected to be achieved by the staff of an organization and when employees do not have the requisite skill to implement such goals, failure becomes eminent. In order to avoid this, organizations undertake a periodic needs assessment of staff. The staff is then trained to be able to implement the strategic goals. Training is the processes of investing in people so that they are equipped with the requisite skills to perform. These processes are part of an overall human resource management approach that hopefully will result in people being motivated to perform (Barron & Hagerty, 2001). Most organizations have internal training units whereas some outsource their training needs and others combine both.

Staff training is a human resource function which will continue in the foreseeable future. This is against the background that training provides the workforce with up- to-date skills and knowledge which ensures that they are able to develop their career (Hargreaves & Jarvis, 2000). Well educated, efficient and forward- thinking and creative staff helps an organization to establish itself as a producer of excellence. Training is therefore, an important mechanism to develop and retain a productive workforce. Performance is realized at all levels of the organization and in order to attain maximum performance, employees need to be motivated and trained to develop and acquire the needed skills, knowledge and

abilities.

Staff training has become an important facet of job satisfaction because it builds workplace commitment on the part of employees which in turn influence labor productivity and increase the performance of both organization and individuals. Given today's business climate and the exponential growth in technology with its effect on the economy and society at large, the need for training is more pronounced than ever.

Although training and development plays a critical role in organizational performance, it is viewed differently in different organizations. It may be considered as the unnecessary, underused and unrecognized function. (Redshaw, 2000). Some organizations find that training and development does not contribute to employees' commitment, and sometimes it is considered as a waste of money and time. Unfortunately, in many organizations, management does not believe in training as a strategy to contribute to improving the overall organizational performance.

Some studies have suggested that employee training directly enhances firm performance by raising the general level of skills. As employees become more highly motivated and more highly skilled, so their task performance improves and organizational effectiveness is directly enhanced (Bartel, 1994). Employee training may, in this view, be seen as a discrete or stand-alone management practice, one that directly enhances the human capital of the firm and so directly leads to performance improvements.

Other scholars argue, however, that employee training has a mediated rather than a direct effect upon firm performance. These scholars argue that employee training is more effective when used in conjunction with other management practices and that compatible set of practices are more effective in raising performance, than any individual practice. This argument suggests that training, whilst effective in raising general skills, is more effective when it develops firm-specific skills and so supports the operation of the particular business process systems within the firm. Training, when used to support quality management practices, should contribute to the effectiveness of the quality management system. Training should enhance the integrity of these systems, rather than merely raise the general level of employee skills.

Graphic Communications Group Limited (GCGL) is the leading and largest newspaper, publishing and printing company in Ghana. The company currently publishes seven newspapers and advertising newspapers. The company has been responsible for the introduction of modern printing technology in the country. It was the first to introduce web offset and photo type setting. It now has a computerized editorial system and the most modern printing plant in Ghana, providing scope for full color production. Newspaper production is on a network of Mac computers, using industry-standard editorial and graphics software. The company's journalists have won the Journalist of the Year Award, the most prestigious on the Ghana Journalists Association Annual honors list more times than any other media organization in Ghana. Considering the above discussion, the study researched into the effect of staff training and organizational performance with particular reference to Graphic Communications Group Limited.

## **OBJECTIVES OF THE STUDY**

To evaluate the effect of staff training on the performance of Graphic Communications Group Limited in Ghana.

## **METHODS**

This is a descriptive study which sought to establish the relationship between staff training and performance of Graphic Communication Groups Limited. This study also took a cross-sectional dimension because of limited time. To achieve the purpose of the study, a questionnaire was used as the main research instrument to gather data from employees of GCGL.

### **Sampling Procedure**

The concept of population is fundamental to survey research. A population is any set of persons or an object that possesses common characteristics. The study specifically targeted employees of GCGL which comprised management, engineers, office clerks, editors, account clerks, computer operators, secretaries, drivers, machine operators, security officers and journalists of GCGL, as the population. A non-probability sampling techniques was used in this study. Specifically the purposive or judgmental sampling technique was used. That is, only individuals who could read and write and were willing to volunteer information were included in the study.

### **Data Type, Sources and Collection**

The study used the structured questionnaire to collect information for the study. Majority of the items on the questionnaire were closed while few of them were open-ended (un-coded). In this study, the questionnaire design was approached in two ways:

- By first, adopting questions used in other questionnaires, (Irene, 2009).
- Secondly, by adding a new set of questions to suit the study area.

The questionnaire was put into three sections. The first section looked at the demographic profile (gender, age, marital status, educational level, the tenure of job and position held). The second section looked at the nature and frequency of training given to the employees and the last section sought information on the performance dimensions of the organization. The researchers adopted a 5-point Likert Scale in the second and third sections. Items on those sections were answered by circling 1 to 5 with five (5) indicating the highest level of agreement and one (1) the lowest. The importance of the study was explained to the respondents and clear instructions given to them. The rationale behind providing clear instructions and assuring confidentiality of information is based on the fact that this significantly reduces the likelihood of obtaining biased responses (Sekaran, 2003).

### **Data Instrument**

Secondary sources of information were obtained. The study relied on both unpublished and published data such as GCGL corporate plan, its Human Resource Management policy, industry magazines, bulletins, and in-house newsletters, annual reports on training, books and journals on Human Resource Management, and training and development.

### **Data Analysis and Interpretation**

Parametric and non-parametric statistics are the major technique of data analysis. Means and standard deviations were calculated for various dimensions of training and the performance indicators. Chi-square was used to determine whether or not there was an association between variables in a cross-tabulation situation.

Correlation matrix was also performed to observe the inter-relationship between the training determinants and also for the indicators of performance. To analyze the effect of staff training on organizational performance, simple-linear regression method was the major statistical methods.

On the qualitative technique, descriptive statistics in the form of tables were used to represent the research findings and the results obtained were summarised with the help of Statistical Software such as the Statistical Package for Social Science (SPSS, Version 16).

## RESULTS AND DISCUSSIONS

### Demographic Profile of Respondents

Table 1 below represents the demographic characteristics of the respondents at the Graphic Communication Group Limited included in the study.

**Table 1: Demographic Profile of Respondents**

	Category	Frequency	Percentage %
Gender	Male	122	61
	Female	78	39
	<b>Total</b>	<b>200</b>	<b>100</b>
Age(years)	Less than 20 yrs	10	5
	20-34 yrs	90	45
	35-49yrs	70	35
	50yrs and above	30	15
	<b>Total</b>	<b>200</b>	<b>100</b>
Marital Status	Married	100	50
	Never Married	90	45
	Divorced	8	4
	Widow/Widower	2	1
	<b>Total</b>	<b>200</b>	<b>100</b>
Educational background	SHS/O-Level/A-Level	16	8
	High National Diploma	60	30
	First Degree	96	48
	Masters/PHS	28	14
	<b>Total</b>	<b>200</b>	<b>100</b>
Job Position held	Management	12	6
	Production	52	26
	Journalist/Editor	66	33
	Auxiliary Staff	70	35
	<b>Total</b>	<b>200</b>	<b>100</b>
Job Tenure	Less than 6yrs	102	51
	6-10 yrs	32	16
	11-15yrs	32	16
	16 and above	34	17
	<b>Total</b>	<b>200</b>	<b>100</b>

GCGL can be said to be male-dominated organization with 61% (122 out of 200) of the respondents being males while the remaining 31% (78 out of 200) representing females. Concerning the age distribution of the employees of GCGL, the majority, 45% (90 out of 200), of the respondents were within the younger age group of 20-34 years. This is followed

closely with those within the age bracket 35-49years. This group constitutes 35% (70 out of 200) of the respondents. While 15% (30 out of 200) of the respondents were 50 years and above, 5% (10 out of 200) of the total respondents were below 20 years of age.

Half, 50% (100 out of 200) of the respondents were found to be married followed by those had not tasted marital life. This group forms 45% (90 out of 200) of the respondents. While 4% (8 out of 200) of the respondents were found to have jilted their spouse (divorced or separated), only 1% (2 out of 200) was found to have a deceased partner. About half 48% (96 out of 200) of the respondents with a First Degree qualification were found to constitute the majority of the respondents. This is followed by about a third 30% (60 out of 200) of respondents who were found to have High National Diploma certificates. While 14% (28 out of 200) of the respondents held Masters/ Ph.D. Certificates, the minority of the respondents 8% (16 out of 200) held SHS/O-Level/A-Level Certificates.

Surprisingly, a little over a third 35% (70 out of 200) of the respondents, who constitute the majority, was found to be auxiliary staff (secretary, security and drivers). This is followed by 33% (66 out of 200) of the respondents who indicated that they were journalists. While 26% (52 out of 200) of the respondents were production staffs, the minority of the respondents, 6% (12 out of 200) were in management positions. Majority, 51% (102 out of 200) of the respondents had less than 6 years working experience with the establishment, followed by those with 16 years or more working experience constituting 17% (34 out of 200) of the respondents. Those with 6-10 years and 11-15 years working experience with the GCGL each constitute 16% (32 out of 200) of the respondents. This shows that employees of the organization are relatively new.

### Gender and Training

The proportions of gender categories and as to whether or not they have received any form of training is shown in Table 2. The results indicate that proportion of males who were found to have received training is 82.2% (100 out of 122) while the proportion of female who has received training is 74.4% (58 out of 78). Analysis indicates that there is no association between gender and training ( $\chi^2 = 1.66$ ,  $df = 1$ ,  $p > 0.05$ ). This implies the proportion of males who undertook the training programmes was not significantly larger than the proportion of females who received the same form of training.

**Table 2: Gender and Training**

Gender and Training				
Gender		Response		Total
		Yes	No	
Male	N	100	22	122
	%	82.0%	18.0%	100.0%
Female	N	58	20	78
	%	74.4%	25.6%	100.0%
Total	N	158	42	200
	%	<b>79.0%</b>	<b>21.0%</b>	<b>100.0%</b>

The following tables show the results of other areas of importance for this study. A detailed discussion of the results in the tables is presented in the section that immediately follows.

**Table 3: Job Tenure and Training**

Job Tenure		Response		Total
		Yes	No	
< 6years	N	64	38	102
	%	62.7%	37.3%	100.0%
6-10 years	N	30	2	32
	%	93.8%	6.2%	100.0%
11-15years	N	32	0	32
	%	100.0%	0%	100.0%
16 years +	N	32	2	34
	%	94.1%	5.9%	100.0%
Total	N	158	42	200
	%	79.0%	21.0%	100.0%

**Table 4: Staff Knowledge of Training**

Staff Knowledge	Response	Frequency	Percentage
	Yes	164	82
Awareness of training	No	36	18
	<b>Total</b>	<b>200</b>	<b>100</b>
Whether or not respondent have some form of training	Yes	158	79
	No	42	21
	<b>Total</b>	<b>200</b>	<b>100</b>

**Table 5: Frequency of Training**

Response	Frequency	Percentage (%)
Not frequent	68	34
Less frequent	50	25
Frequent	64	32
More frequent	12	6
Most frequent	6	3
<b>Total</b>	<b>200</b>	<b>100</b>

**Table 6: Type of Training for Workers of GCGL**

Training Type	Responses					Total(%)	Mean	Std.
	None	Very Little	Little	Much	Very Much			
Skills Acquisition	12	12	14	53	9	100	3.80	0.75
Performance orientated	9	6	13	55	17	100	3.66	0.88
Problem Solving approach	3	7	22	57	11	100	3.65	1.11
Efficiency and Effectiveness	1	3	25	57	14	100	3.35	1.18

**Table 7: Job Training Dimensions and their Relationship**

Inter-Item Correlation Matrix of Training Type (Cronbach's alpha = 0.801)				
Job Training Dimensions	Skill Acquisition	Performance -Oriented	Problem solving approach	Efficiency and Effectiveness
Skill Acquisition	1.000			
Performance-oriented	0.820	1.000		
Problem solving approach	0.547	0.466	1.000	
Efficiency and effectiveness	0.286	0.350	0.507	1.000

**Table 8: Results of Performance Measurement of GCGL**

Performance Indicators	Frequency	Mean	Std. Deviation
Improved Quality of Products	200	4.00	0.86
Improved Customer Satisfaction	200	4.00	0.79
Improved Profit	200	3.95	0.80
Improved volume of Production	200	3.91	0.87
Improved Sales	200	3.91	0.77
Enhanced Market Share	200	3.89	0.84
Improved Employees' Morale	200	3.88	0.95
Improved Job Satisfaction	200	3.84	0.81
Reduction in Waste	200	3.79	0.89
Improved Employee retention	200	3.58	0.99

**Table 9: Performance Dimensions and their Relationship**

Inter-Item Correlation Matrix of Performance Indicators of GCGL										
	1	2	3	4	5	6	7	8	9	10
Volume of Sales (1)	1.00									
Profit (2)	0.62*	1.000								
Market Share (3)	0.60*	0.63*	1.00							
Quality of Products (4)	0.38	0.51*	0.68*	1.00						
Customer Satisfaction (5)	0.55*	0.39	0.65*	0.61*	1.00					
Employee retention (6)	0.48	0.45	0.54*	0.39	0.48	1.00				
Job Satisfaction (7)	0.43	0.49	0.54*	0.63*	0.55*	0.53*	1.00			
Employees' Morale (8)	0.39	0.23	0.42	0.48	0.53*	0.24	0.54*	1.00		
Reduction in Waste (9)	0.19	0.31	0.39	0.30	0.40	0.15	0.34	0.50*	1.00	
Volume of Production (10)	0.31	0.43	0.45	0.47	0.47	0.35	0.51*	0.60*	0.55*	1.00

**Table 10: Relationship between Staff Training and Organizational Performance**

Performance/ Training	Skill Acquisition	Performance Oriented	Problem Solving	Efficiency and Effectiveness
Sales	0.14	0.18	0.24**	0.46**
Profit	0.15	0.20**	0.21**	0.39**
Market Share	0.18	0.27**	0.35**	0.38**
Quality of Products	0.13	0.17	0.28**	0.40**
Customer Satisfaction	0.09	0.15	0.29**	0.42**
Employee retention	-0.003	0.11	0.09	0.32**
Job Satisfaction	0.08	0.11	0.31**	0.40**
Employees' Morale	0.17	0.21**	0.32**	0.38**
Reduction in Waste	0.20**	0.10	0.32**	0.28**
Volume of Production	0.15	0.17	0.17	0.22**

## Discussions of Results

Employees of GCGL with a higher level of education were found to be frequently trained ( $\chi^2 = 48.81$ ,  $df = 12$ ,  $p < 0.05$ ). Majority of researchers have found that the more educated the worker is, the more formal training they will receive (Black et al, 1998). (Green, 1993) also finds that workers with higher qualification are more likely to receive training as they may benefit from the training. In addition, educated workers have the comparative advantage in jobs that require a large amount of knowledge and provide the opportunity for training.

The study found that employees with longer years of working experience with the organization were frequently trained. Empirical findings have found mixed results regarding job tenure and the probability of receiving training. Job tenure has both a significant positive and negative relationship to the probability of job training. This means that the proportion of employees who received training increases with employees who worked longer in the organization. Therefore, there is an association between job tenure and job training.

All the performance indicators of GCGL were rated as either high or average by the respondents. Training of subordinates is basic to every organization. The value of human capital is enhanced by gaining higher performance potential such as new tasks, functions, and KSAPs (knowledge, skills, abilities, personal attributes) obtained and cultivated during trainings. Majority of the respondents (79%) had some form of training. The percentage of trained employees has been found to affect performance. It means the performance of GCGL will be affected positively since a greater proportion of the staff has had some form of training.

Concerning the relationship between staff training and organizational performance, a direct correlation has been reported between increased training activities and improvement in employee productivity, firm profitability and shareholder value in both the short and long term. Training can achieve high morale; employees who receive training have increased confidence and motivation and lower turnover, that is training brings a sense of security at the workplace which reduces labor turnover and absenteeism is avoided.

The results of this study further showed that employees' training at GCGL impacted positively and highly on the quality of products of the organization. Training, when used to support quality management practices, should contribute to the effectiveness of the quality management system. Training should enhance the integrity of these systems, rather than merely raise the general level of employee skills. Furthermore, (Carey, 2000) noted that training plays a pivotal role in the reinforcement of company culture by securing the corporate goals of commitment, flexibility and quality. Workers are equipped with the skills to carry out tasks, monitor quality, and manage complex products and services.

Employees' satisfaction was found to be average which represents a mean of 3.84. This means that as employees become highly motivated and highly skilled, so their task performance improves and organizational effectiveness is directly enhanced (Bartel, 1994, d'Arcimoles, 1997). (Collins *et al.*, 2003) also found out that those organizations that provide training to its employees managed to reduce its employees' turnover rate. It can be deduced that job satisfaction to some extent reduce employees' turnover rate.

The profit margin of the organization was found to have average improvement. In (Chart's, 2000) Exploratory Benchmark Survey, 70% of respondents said training had a positive impact on their company's ability to improve occupancy and overall profitability. It is important to mention however that, some researchers seem to have divergent views on the impact of training on performance. (Westhead et al, 1997) found out that the relationship between the two



variables is not significant. Other researchers like (Marshall et al., 1995), and (Kitching, 1998) also argued the direct relationship of training and firm's performance as they gathered that there is a very weak relationship between the two. (Tan, 1996) also claims that, training activities fail to influence the firm's performance because the activities are not linked to the firm's strategic plans. The study has established that the extent of staff training at GCGL has a positive effect on the performance of the organization as found by (Chart, 2000). Finding further strengthens the previous studies done by (Jone, 2005) and (Huang, 2000).

## CONCLUSIONS

Males dominated the organization with 61% while females were the minority group in the company. A majority, 45% of the respondents were within the age group of 20-34 years. Half, 50% of the respondents were found to be married, the remaining were either unmarried, divorced or widows/widowers. Majority of the respondents, 48% were found to hold First Degree qualification. Respondents were managers, production staff, journalists and auxiliary staffs. In relation to the research question about the extent of training, the overwhelming majority, 82% of the employees were aware of training programs in the organization and 79% had some form of training. The majority (66%) of the respondents indicated that staff training at GCGL is somewhat frequent. Also, employees of GCGL with a higher level of education were frequently trained while employees who worked longer in the organization were frequently trained. Concerning the relationship between staff training and organizational performance, a direct correlation was reported between increased training activities and improvement in employee productivity, firm profitability and shareholder value. The results of this study further showed that employees' training at GCGL impacted positively and highly on the quality of products of the organization. Employees' satisfaction was found to be average which represents a mean of 3.84. This means that as employees become highly motivated and highly skilled, so their task performance improves and organizational effectiveness is directly enhanced. This answers research question two which sought to find the effect of staff training on the level of performance at GCGL. The study, regardless of its limitations, has established that the extent of staff training at GCGL has positive effect on the performance of the organization. This is in support of the hypotheses and an answer to the research question three. All the performance indicators of GCGL were either high or average. The performance of both product quality and customer satisfaction were both rated 'high' by the employees (mean = 4.00) while the other dimensions of the performance of the organization received 'average' rating. There is moderately strong relationship ( $0.20 \leq r \leq 0.50$ ) relationship between the extent of training and organizational performance for some training and performance indicators.

We recommend that Graphic Communications Group Limited and other like organizations should recognize the need to enhance human capital and improve output through training. Training an employee to acquire new skills was found to be strongly related to training the employee to be performance-oriented. To reduce the cost of training, organizations focussing on employee training can choose to train the employee to acquire new skills rather than in both. Training, when used to support quality management practices, should contribute to the effectiveness of the quality management system, therefore GCGL should aim at training its employees to support quality management practices. Also, training activities should cover all level of employee to ensure the success of the firm without excluding the management team. Since the training could incur a huge amount of money, it must be planned carefully so that it would not affect the organization's financial stability. Moreover, by conducting Training Needs Analysis (TNA), the organization can identify the training aspects that should be focused and given priority to the critical areas of expertise required.

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