



FACULTY OF TECHNOLOGY MANAGEMENT AND  
TECHNOPRENEURSHIP

THE IMPACT OF TRAINING TOWARD ENHANCING THE  
PERFORMANCE IN AUTOMOTIVE SERVICES CENTER

NUR WAJIHAH BINTI ZUHAIRI

BACHELOR OF TECHNOLOGY MANAGEMENT  
(INNOVATION) HONS

2014

i

# THE IMPACT OF TRAINING TOWARD ENHANCING THE PERFORMANCE IN AUTOMOTIVE SERVICES CENTER

NUR WAJIHAH BINTI ZUHAIRI

A project paper submitted in fulfillment of the requirements for the degree  
of Bachelor in Technology Management (Innovation) Hons

Faculty of Technology Management and Technopreneurship  
Universiti Teknikal Malaysia Melaka

JUNE 2014

## **DECLARATION**

I declare that this project paper entitled “The Impact of Training toward Enhancing Performance in Automotive Service Center” is the result of my own research except as cited in the references. The project paper has not been accepted for any degree and is not concurrently submitted in the candidature of any other degree.

Signature: .....

Name: Nur Wajihah Binti Zuhairi

Date: 25 June 2014

## **DECLARATION OF SUPERVISOR**

Acknowledge that I have read this thesis and in my opinion this thesis is sufficient in terms of scope and quality for the award of Bachelor of Technology Management (Innovation Technology)

Signature: .....

Supervisor: Dr. Juhaini Bt Jabar

Date: 25 June 2014

Signature: .....

Panel: Puan Murzidah Bt Ahmad Murad

Date: 25 June 2014

## **DEDICATION**

....Special for my beloved mother Puan Rahimah Mustapha...

I Love You Mum, thank for supporting and always give me advices to finish this  
research

....Special for my brother and my sisters....

Thank you for supporting your sisters

And last but not least

....Special to all my lecturers and my friends...

Thank you for everything

Love You All

## **ACKNOWLEDGMENT**

Alhamdulillah, Praise to ALLAH S.W.T with his grace I was able to complete my Projek Sarjana Muda (PSM). I would like to express my gratitude and appreciation to all those who gave me the possibility to complete this report.

Special thanks to my PSM supervisor, Dr. Juhaini Bt Jabar, who helped me, give suggestions and encouragement, and help me to coordinate my projects, especially in the writing of this report.

I would also like to express my gratitude to all my lecturers and staff of the faculty of Technology Management and Entrepreneurship, who taught and guided me while in UTeM. Courtesy and kindness you all I will not forget.

To all my friends and classmates BTMI Batch 10/11 thanks for the support and guidance, over the years, either directly or indirectly. I appreciate and am very grateful given the opportunity to know you all. Hopefully this friendship remains forever.

Last but not least, thank you for my mother Rahimah Bt Mustapha and my siblings Mohd Faiz Zuhairi, Nur Waheedah Zuhairi and Nur Najwa Izaati Zuhairi for unfailing support and encouragement to me. I love you all.

## **ABSTRAK**

Kajian ini mengkaji kesan latihan yang diberikan kepada pekerja di Pusat Servis Automotif. Jadi, kajian ini adalah untuk membuktikan bahawa latihan dan kemahiran yang diperlukan dapat meningkatkan prestasi pekerja. Objektif dan persoalan kajian ini adalah untuk mengetahui faktor yang mempengaruhi kepuasan pelanggan, Selain itu untuk mengkaji hubungan diantara faktor latihan dan kepuasan pelanggan dan akhir sekali untuk menentukan faktor latihan yang manakah memberi impak yang besar kepada kepuasan pelanggan. Methodologi dalam kajian ini menggunakan sepenuhnya kaedah kuantitatif. Analisis yang digunakan adalah Kekerapan analisis, Deskriptif analisi, Korelasi Analisis, Regresi analisis dan Kebolehpercayaan analisis. Soalan kaji selidik akan diberikan kepada pihak pengurusan atasan di Pusat Servis Automotif seperti Honda, Toyota, Naza Kia, Nissan, Proton, Perodua, Mazda, dan Peugeot untuk mendapatkan data. Sebanyak 100 orang responden menjawab soalan ini. Keputusan daripada kajian ini menunjukkan semua objektif dan persoalan kajian ini tercapai dan terjawab. Jadi sebagai konklusi melalui latihan yang diberikan kepada pekerja ia boleh meningkatkan kemahiran dan kebolehan serta meningkatkan kreativiti, produktiviti, dan kecekapan. Pekerja juga akan terdedah kepada pelbagai jenis kemahiran dan pengetahuan dalam bidang tertentu, secara tak langsung ia boleh meningkatkan mutu persembahan dan daya inovasi pekerja.

## **ABSTRACT**

This study examined the impact of training given to employees in the Automotive Service Centers. So this study is to prove that the training and skills needed to improve employee performance. Objectives and research question is to determine the factors that affect customer satisfaction, and also to investigate the relationship between factors training and customer satisfaction and finally to evaluate which training factors have a significant impact on customer satisfaction. The methodology of this study used of quantitative methods. The analysis used is Frequency analysis, Descriptive analysis, Correlation analysis, Regression analysis and Reliability analysis. A questionnaire will be given to middle management and above in automotive service centers such as Honda, Toyota, Naza Kia, Nissan, Proton, Honda, Mazda and Peugeot to get the data. A total of 100 respondents answered this question. The results of this study indicate all objectives and research questions are met and answered. So as a conclusion through the training given to employees it can enhance their skills and abilities as well as enhancing creativity, productivity, and efficiency. Employees will also be exposed to a wide variety of skills and knowledge in a particular field; thereby it can improve the performance and innovativeness of employees.



## TABLE OF CONTENT

CHAPTER	CONTENT	PAGE NO
	DECLARATION	i
	DECLARATION OF SUPERVISOR	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	<i>ABSTRAK</i>	v
	ABSTRACT	vii
	TABLE OF CONTENT	ix
	LIST OF TABLE	x
	LIST OF FIGURE	
<b>CHAPTER 1</b>	<b>INTRODUCTION</b>	
	1.1 Background of the study	1
	1.2 Research Problem	2
	1.3 Research Objective	4
	1.4 Research Question	4
	1.5 Scope and Limitation	5
	1.6 Significant of Study	5
<b>CHAPTER 2</b>	<b>LITERATURE REVIEW</b>	
	2.1 Introduction	6
	2.2 The Construct of Independent Variable	8

2.2.1	Efficiency	9
2.2.2	Productivity	10
2.2.3	Creativity	11
2.3	The Construct of Dependent Variable	13
2.3.1	Customer satisfaction	14
2.4	The Situations of Automotive Industry	15
2.5	Example of Training	16
2.5.1	Toyota	17
2.5.2	Honda	18
2.5.3	Nissan	20
<b>CHAPTER 3</b>	<b>METHODOLOGY</b>	
3.1	Introduction	21
3.2	Theoretical Framework	21
3.2.1	Hypothesis Development	22
3.2.2	Measurement of Variable	23
3.2.3	Operationalization of Variable	23
3.2.3.1	Creativity	23
3.2.3.2	Productivity	24
3.2.3.3	Efficiency	25
3.2.3.4	Customer Satisfaction	26
3.3	Research Design	27
3.3.1	Data Collection Method	27
3.3.2	Pilot Study	28
3.3.3	Analysis Technique	29
3.4	Research Strategy	29
3.5	Scientific Canons : Reliability and Internal Validity	30
3.6	Location of Study	31

<b>CHAPTER 4</b>	<b>RESULT AND DISCUSSION</b>	
4.1	Introduction	32
4.2	Result	33
4.2.1	Frequencies Analysis	33
4.2.2	Descriptive Analysis	38
4.2.3	Correlation Analysis	42
4.2.4	Regression Analysis	43
4.2.4.1	Relationship Between Creativity and Customer Satisfaction	43
4.2.4.2	Relationship Between Productivity and Customer Satisfaction	45
4.2.4.3	Relationship Between Efficiency and Customer Satisfaction	47
<b>CHAPTER 5</b>	<b>CONCLUSION</b>	
5.1	Introduction	49
5.2	Theoretical Implication	50
5.3	Practical Implication	52
5.4	Limitation of Study	53
5.5	Summary of Findings	54
5.6	Conclusion	55
	<b>BIBLIOGRAPHY</b>	56
	<b>APPENDIXES</b>	

## LIST OF TABLE

TABLE	TITLE	PAGE
3.1	Creativity	24
3.2	Productivity	25
3.3	Efficiency	25
3.4	Customer Satisfaction	26
4.1	Type of Automotive Service Center	33
4.2	Position Level	34
4.3	Worker Experience	35
4.4	Year of Operation	36
4.5	Creativity (IV)	38
4.6	Productivity (IV)	39
4.7	Efficiency (IV)	40
4.8	Customer Satisfaction (DV)	41
4.9	Correlation between Creativity, Productivity, Efficiency and Customer Satisfaction	42
4.10	Model Summary of Creativity to Customer Satisfaction	43
4.11	Anova <sup>a</sup> of Creativity to Customer Satisfaction	44
4.12	Coefficients of Creativity to Customer Satisfaction	44
4.13	Model Summary of Productivity to Customer Satisfaction	45
4.14	Anova <sup>a</sup> of Productivity to Customer Satisfaction	45
4.15	Coefficients of Productivity to Customer Satisfaction	46

4.16	Model Summary of Efficiency to Customer Satisfaction	47
4.17	Anova <sup>a</sup> of Efficiency to Customer Satisfaction	47
4.18	Coefficients of Efficiency to Customer Satisfaction	47
5.1	Summary of Findings	54

## LIST OF FIGURE

<b>FIGURE</b>	<b>TITLE</b>	<b>PAGE</b>
1.1	Basic approach to personal training	19
3.1	Methodology Framework	22
4.1	Type of Automotive Service Center	34
4.2	Position Level	35
4.3	Worker Experience	36
4.4	Year of Operation	37

# CHAPTER 1

## INTRODUCTION

### 1.1 Background of The Study

Training is an educational process. People can learn new information, re-learn and reinforce existing knowledge and skills, and most importantly have time to think and consider what new options can help them improve their effectiveness at work. Effective trainings convey relevant and useful information that inform participants and develop skills and behaviors that can be transferred back to the workplace. The goal of training is to create an impact that lasts beyond the end time of the training itself. The focus is on creating specific action steps and commitments that focus people's attention on incorporating their new skills and ideas back at work (Siddheshwar S. Salvi ,2013).

The challenge is when new employees want to do a job but do not know how to start. So the company needs to provide basic training to employees to give them knowledge and how to handle a job. The new employees require a guide from the experienced employees or from the outsider who are expert on those specific fields. Thus is training that extends and develops capabilities for better job performance. For a specific role in the workplace it involves transfer of gathered knowledge from training, skills and behaviors.

Human capability is broadly defined as the ability of people to do things to enhance their well-being, and is conceptualized as made up of the capacity of people ('what they are able to do'), people's opportunities ('the options available for people to get financial and personal reward from using their capacity'), and, matching ('the process of matching capacity with opportunity'). The definition of the skills is an ability and capacity acquired through deliberate, system, and sustained effort to smoothly and adaptively carryout complex activities or job functions involving ideas (cognitive skills), things (technical skills), and/or people (interpersonal skills) (Harrison,1997).

Performance in the context if organization, is not only a broad concept which has been used synonymously with productivity, efficiency, effectiveness, and more recently competitiveness, it has also been a subject of study for social scientists form a wide range of disciplinary perspectives. Labour productivity, for example, has long been the concern of (labour) economists ever since Marrx's most fundamental insights, is seen as a basic problem of management (Harrison,1997).

## **1.2 Research Problem**

Based on the experiences during internship at Zeotech Industry (M) Sdn Bhd, the company did not train their worker properly and the existing worker did not have any experience in produce the pellet of fish feed. So the worker depend to one leader that know how to produce the pellet, so when the leader did not come to work, the production cannot run, because they are lack of skill and if they run the machine, the company will loss because the output produce very low quality and did not achieved the specification fish feed pellet.



Based on the literature review, many author write that the training must provide before the worker start their work, because at the same time they will know what they must to do and it can give them motivate to do their work properly because they already know about the particular jobs.

According to Natalie Grace,(2002) stated that training has played a very important role in helping the corporation to reach the commanding heights of performance. Any training would be considered to be successful only when the knowledge gained by the participants is transferred to the job performance. An employee who lacks proper training is unmotivated because she or he lacks the knowledge needed to serve the customers. This results in low productivity and inaccurate work, which hurts the company's bottom line.

Other than that, demand in workplace toward skill worker very high and the issues very important because skill worker is a main roles in the company, because the company always want the best to their company and always seek the best to their workers, in additional, when the workers have a skill and experience in existing job the probability to increase the profit and customer satisfaction very high.

It also support by Rasul et al.(2008) the industry considers that the employability skills are important and should be owned by their employees to ensure employees are really skilled in work. Sahandri & Kumar,(2009) stated this is due to high demand of generic skills in the challenging workplace. Employees who are lack proficiency of non-technical skills are problems to the employers. This is because the employers do not have much time to train or retrain graduates from higher institutions on that matter.

### **1.3 Research Objective:**

The main objective of this research is to conduct a study on the implementing of training that to enhance the performance of the workers in automotive services center. Usually, in automotive service skills very important in daily work and can increase the productivity and efficiency workers. This is to be accomplished by:

- To uncover the training factors that affects customer satisfaction
- To analyze the relationship between the training factors (efficiency, productivity, and creativity) and customer satisfaction.
- To evaluate which training factor has the influence towards customer satisfaction.

### **1.4 Research Question**

Proper training given to employees will increase the profit and sales, other than that will enhance the productivity also increase the volume of customer come to service centre. The question is what the factors influence the training can enhance the performance of the worker:

- What are the training factors that affect customer satisfaction?
- How far does the training factor (efficiency, productivity, and creativity) lead to customer satisfaction?
- Which training factor has the highest impact towards customer satisfaction?

## **1.5 Scope and Limitation of Study:**

The scope of this study is to focus on the impact of training towards the performances on automotive services center. Besides, this study will determine whether the training will really affect the performance and at the same time enhancing the capability of the workers in their daily works. Therefore, for the this study questionnaire will be distributed to the respondents at the automotive service center of Honda, Naza Kia, Toyota, Proton, Perodua, Nissan, Mazda, and Peugeot to get the data that can figure out the result. From the questionnaire the result will be analyzed and come up with new solution or recommendation to solve the problem and make it better than usual.

The limitation of this study, maybe did not all the company apply or give training to their employees, so maybe it can effect to get the proper data from the automotive services center, but the researcher will distribute to eight different automotive services center to answer the questions and proposed respondent more than 100 respondent. Other than that, the questionnaire will be distributing around Melaka state.

## **1.6 Significant of Study**

From this study, it is training that can affect employee performance in automotive service centers? In the other hand, also wants to know what the higher impact can lead toward the performance which is in term of the customer satisfaction. It can give benefit to company when apply the training and indirectly can give more profit when customer satisfy with the service provide. In additional, this study wants to investigate that what the higher factor that can lead to customer satisfaction. From that, this study will analyze the result based on the questionnaire given, and make a conclusion and recommendation to improve or add value of existing training that company applied.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

Every organization needs to have well trained and experienced people to perform the activities that have to be done. Training is a process of learning a sequence of programmed behavior. It is application of knowledge. It gives people an awareness of the rules and procedures to guide their behavior. It attempts to improve their performance on their current job and prepare them for an intended job. Development is a related process. It covers not only those activities which improve job performance, but also which bring about the growth of the personality; help individuals in the progress towards maturity and actualization of their potential capabilities so that they become not only good employees but better men and women. In organizational terms, it is intended to equip person to earn promotions and hold greater responsibility. Training and Development,(2010).

Based on Sommerville,(2007) “Training is the process that provides employees with the knowledge and the skills required to operate within the systems and standards set by management.” and Mclelland,(2002) stated “Training, in the most simplistic definition, is an activity that changes peoples behavior. “Employee training tries to

improve skills, or add to the existing level of knowledge so that employees is better equipped to do his present job, or to prepare him for higher position with increased responsibilities. However individual growth is not and ends in itself. Organizational growth need to be measured along with individual growth. Training refers to the teaching/learning activities done for the primary purpose of helping members of an organization to acquire and apply the knowledge skills, abilities, and attitude needed by that organization to acquire and apply the same. Training is the act of increasing the knowledge and skill of an employee for doing a particular job.

Usually, employers will hire people with skills and experience in a particular field, without the basic skills of the employee is unable to meet customer demand and not be competitive among other employees. Especially in the automotive field are very important skills to an employee, without the skills of workers cannot be made to work efficiently and quickly because of the limitations of skills and not being able to think in innovative ways to improve the work efficiency. According to Bloom et al.,(1999) employability skills are the generic skills, attitudes and behaviors that employers look for when they hire new recruits and that they seek to develop in their current employees.

If workers who want to work have the skills and experience is a bonus and excellent opportunities for further expansion in the desired field. Examples of skills that should be in each and every employee to improve performance and innovation are:

- Efficient in doing something
- Has many creative and innovative ideas
- Have high discipline and punctuality
- Able to make wise decisions
- Good in solving problems

Employability skills are important because the workers can help the company perform better in the workplace, they also can help organization achieve more of its goal and they can used in any future job company perform. According to National Quality Council (2008), there are eight employability skills must have in every employees such as initiative and enterprise, learning, self-management, communication, teamwork, problem solving, planning and organizing and technology.

Besides, most workers have certain weaknesses in their workplace, which hinder them from giving the best services. Training assists in eliminating these weaknesses, by strengthening workers skills. A well organized development program helps employees gain similar skills and knowledge, thus bringing them all to a higher uniform level. This simply means that the whole workforce is reliable, so the company or organization doesn't have to rely only on specific employees.

Training makes the employee also feel satisfied with the role they play in the company or organization. This is driven by the great ability they gain to execute their duties. They feel they belong to the company or the organization that they work for and the only way to reward it is giving the best services they can.

## **2.2 The Constructs of Independent Variable**

Training simply refers to the process of acquiring the essential skills required for a certain job. It targets specific goals, for instance understanding a process and operating a certain machine or system. So, the company must provide the training to the employees to avoid them make mistake and at the same than can enhance their performance and eliminate their weakness. Then, the company will gain profit and the quality of work increase and customer satisfaction also will be increase. Important of Training,(2013).

So, for this study after reviewing the literature review it just wants to highlight only three construct independent variables under the training, they are efficiency, productivity and creativity. Each construct have own criteria and way how to measure the construct.

### **2.2.1 Efficiency**

Through this part, this study wants to measured efficiency in term of how the workers solve the problem which is when the worker well train and know how to do their work, it is easily to them to solve any problem without any waste such as can reduce the cost and time and also use less energy to solve it.

Efficiency is a level of performance that describes a process that uses the lowest amount of inputs to create the greatest amount of outputs. Efficiency relates to the use of all inputs in producing any given output, including personal time and energy. So, when the employees well train and know how to do work, it is easily to them to make something different or use the creativity to solve any problem without any waste, such as can reduce cost and time and use less energy to solve it Efficiency, (2013).

Besides, James T. Bond and Ellen Galinsky, (2006) stated, training can enhance the efficiency of the workers with the company give more learning opportunities on the job, employers provided education or training programs to enhance jobs skills, more supervisor support for job success, teamwork for support job success and so on. Researcher agrees with the statement because not only the work environment can enhance the efficiency of the worker, but training also important to enhance the jobs skill and performance, and at the same time can increase the output.

### 2.2.2 Productivity

Productivity is the ratio of output to inputs in production; it is an average measure of the efficiency of production. Efficiency of production means production's capability to create incomes which is measured by the formula real output value minus real input value. Increasing national productivity can raise living standards because more real income improves people's ability to purchase goods and services, enjoy leisure, improve housing and education and contribute to social and environmental programs. Productivity growth also helps businesses to be more profitable. Saari,(2006)

Through training and development the employee acquires all the knowledge and skills needed in their day to day tasks. Workers can perform at a faster rate and with efficiency thus increasing overall productivity of the company. They also gain new tactics of overcoming challenges when they face them.

Once a training program is completed, worker productivity is expected to increase. The benefits will be to the company, due to an increase in worker output and productivity, and the worker, as the increase in output should translate into higher wages and opportunities for career advancement. In general, a company will weigh the costs and returns to training determine the amount of investment it will incur Kaufman & Hotchkiss (2006).

A properly trained employee becomes more informed about procedures for various tasks. The worker confidence is also boosted by training. This confidence comes from the fact that the employee is fully aware of his/her roles and responsibilities. It helps the worker carry out the duties in better way and even find new ideas to incorporate in the daily execution of duty.