

A STUDY OF CORPORATE EMPLOYEE PERFORMANCES THROUGH
TRAINING PROGRAMS FOR CONTINUOUS IMPROVEMENT

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JUNE 2019

APPROVAL

I hereby declare that I have read this dissertation/ report and in my opinion, this dissertation/ report is sufficient in terms of scope and quality as a partial fulfilment of the requirement of the requirement for the award of Bachelor of Technology Management (High- Tech Marketing) with Honours

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DECLARATION

I hereby declare that the project work entitled “A study of improving employee performances through training programs” submitted to Faculty of Technology Management and Technopreneurship (High Technology Marketing), University Teknikal Malaysia Melaka is a record of an original work done by me under guidance of Prof Madya Datin Dr Norizah Mohamad , lecturer of Faculty of Technology Management and Technopreneurship (High Technology Marketing), University Teknikal Malaysia Melaka. The results embodied in this research have not been submitted to any other University or Institute for the award of any degree or diploma.

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DEDICATION

I would like to express deepest thanks to my dearest family members who give me encouragement that helped me in completion of this research paper. Thanks for giving me the opportunity and new experiences in my life to complete this meaningful research.

Moreover, I want to dedicate this thesis to my supervisor Prof Madya Datin Dr Norizah Mohamad, for her guidance and motivation along this whole process of the project.

ACKNOWLEDGEMENT

I would like to appreciate and express my sincere gratitude to my final year project supervisor, Prof Madya Datin Dr Norizah Mohamad, for her guidance, patience, motivation and knowledge. She took her time out to guide me on correct path and offer valuable advice for me to complete this project. I would like to thanks my panel, En. Hasoloan Haery Ian Pieter for his advice, recommendation, and comments during the presentation session. Besides that, I would like to thanks and appreciate to Ms Lim Suat Lian, Manager of Manpower Planning and Recruitment, also Ms Poon Hee Lai, Assistant Training Manager for information sharing and motivation along the period of this research report. I deeply appreciate and thanks to my family, especially my parents for their love and support me in terms of spirituality and finance. Last but not least, I was sincere thanks to the respondents who spent their precious time to fill the questionnaire. Without the supports from all of them, I would not possible to conduct this research smoothly.

ABSTRACT

One of the oldest and most traditional training methods is the lecture. Many of companies are familiar with this form of learning, a very common way to embedded new knowledge into employee. Training is an important activity that boosts performance and has a distinct role of incorporating the interest of the organization. It is argued that traditional management can no longer support the quality performance to generate higher productivity. The aim of this research is to study employee performances through training programs. The research focuses on three important issues namely as: types of training program used in employee performance for productivity, drivers contribute to training effectiveness and analysis of training program to improve employee's performance. The case study is conducted at a training centre for well-known chains of grocery store in Melaka. A semi-structure questionnaire is used to interview eight respondents from top management, operations manager and operation trainees for one training period which lasted for 2 weeks. From the study, the company training program is made up of three types of training programs namely orientation, on-the-job training, and review class. On-the-job training is found the most effective contribute to the employee performances. Extending the time for the training period, it is also found that there are five drivers contributed to training effectiveness of program namely as: training contents, training environment, training schedules, facilities and materials and presentation style of trainers. Presentation style of trainers is found contributed most to the training effectiveness. Thirdly, recommendation improvement plans concentrated on trainer presentation styles, which is train the trainer technique to attain knowledge transfer efficiency. Hence, the adoption of different types of training methods benefit to employee performance.

Keywords: *Training, employee performance, Continuous Improvement*

ABSTRAK

Salah satu kaedah latihan lama yang digunakan dan dikatakan tradisional adalah latihan berbentuk kuliah. Banyak syarikat yang mengetahui bentuk pembelajaran ini, cara yang sangat umum untuk membenamkan ilmu baru kepada pekerja. Latihan adalah satu aktiviti penting yang meningkatkan prestasi dan mempunyai peranan yang berbeza selaras dengan kepentingan organisasi. Pengurusan tradisional dikatakan tidak lagi dapat menyokong prestasi kualiti untuk menjana produktiviti yang lebih tinggi. Tujuan penyelidikan ini adalah untuk mengkaji peningkatan prestasi pekerja melalui program latihan. Kajian ini memberi tumpuan kepada tiga isu penting iaitu: jenis program latihan yang digunakan dalam prestasi pekerja untuk produktiviti, pemandu yang menyumbang kepada keberkesanan latihan dan analisis program latihan untuk meningkatkan prestasi pekerja. Kajian kes dijalankan di pusat latihan untuk rangkaian kedai runcit yang terkenal di Melaka. Soal selidik semi-struktur digunakan untuk mewawancarai lapan responden dari pengurusan puncak, pengurus operasi dan pelatih operasi untuk satu tempoh latihan yang berlangsung selama 2 minggu. Dari kajian ini, program latihan syarikat terdiri daripada tiga jenis program latihan iaitu orientasi, latihan semasa bekerja, dan kelas kajian. Latihan semasa bekerja didapati paling berkesan menyumbang kepada prestasi pekerja. Dalam tempoh masa latihan, didapati juga terdapat lima pemandu yang menyumbang ke arah keberkesanan latihan program iaitu: kandungan latihan, persekitaran latihan, jadual latihan, kemudahan dan bahan serta gaya persembahan pelatih. Gaya persembahan pelatih didapati paling menyumbang kepada keberkesanan latihan. Ketiga, mencadangkan beberapa rancangan perbaikan latihan untuk meningkatkan prestasi pekerja. Sebaliknya, kajian ini juga menggunakan rangka kerja konseptual untuk mencapai peningkatan yang berterusan dalam organisasi yang akan meningkatkan produktiviti dan berdaya saing di seluruh dunia. Program latihan yang sedia ada telah menyumbang kepada peningkatan prestasi pekerja. Ketiga, pelan penambahbaikan cadangan tertumpu kepada gaya persembahan pelatih, yang melatih teknik jurulatih untuk mencapai kecekapan pemindahan pengetahuan. Oleh itu, penggunaan kaedah latihan yang berlainan memberi manfaat kepada prestasi pekerja.

Kata kunci: *Latihan, prestasi pekerja, Penambahbaikan Berterusan*

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LIST OF ABBREVIATION

CI	Continuous Improvement
SKU	Store Keeping Unit
SOP	Standard of Procedure

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CHAPTER 1

INTRODUCTION

1.1 Background of Study

Organizations have undergone a period of massive change in their mode of operation in latest times owing to the trend of rising national and global competition. Adding to competition pressure is the pace at which technology is changing and demand increases every day with customers and regulators (Christina, 2005). Traditional management tools have been argued that they cannot efficiently deal with present company complexities (Itkin, 2008; Chee, 2008). Therefore, many companies continuously attempt to develop and implement new management ideas. Good quality output has always been the key factor for organisational achievement in order to overcome the turbulence in the setting. To succeed in the competing markets of the twenty-first century means that an organization should have good quality performance and quality improvement systems in place (Eslamy, et al., 2014).

Companies start to understand that employee participation is critical to quality results, which is essential to the employee performance improvement. This implies that the achievement of the organization depends on the performance of the staff and the continuous improvement of the performance of the worker through a policy of well performance management. It was important to establish an understanding among the workforce on what the organisation need to achieve. It aims to strengthen workplace skills weakness hence boosts performance in the organization.

There are several initiatives used for quality improvement which focus on creating a high performance workforce and increasing productivity. One of the initiatives methods is training programs. Organizational training is an instructional method through which staff can learn fresh data and relearn and strengthen current understanding and abilities (Long et al. 2016). A study by Quartey (2012) revealed that, training programs are often implemented in the organization; the majority of employees were aware and involved in various training programs. Training aims to improve a person's conduct and efficiency on ongoing method within the organization. Effective training systems and process focus on employees' performance achievements are essential (Mpfung & Hlatywayo, 2015). A study of Tahir et al. (2014), disclosed the beneficial effect of training and growth on the results and productivity of staff. The emphasis is on improvement, learning and development in order to achieve the overall business strategy and to create a high performance workforce.

Khan & Baloch (2017) opined that majority of organizations prefer to invest in different programs that create new skills through long-term planning. This is to allow employees to adapt to any uncertainties of the present and future. Slavic & Berber (2014) revealed a relationship between effective training practices and employee performance. Hence, the reviewed research on the impact of training program used contributed to improvement employee performances.

1.2 Problem Statement

Consumers in Malaysia tend to prefer stores that offer a more convenient experience when shopping for groceries with easy layout (Vasantha .G, 2018). The case study company is currently operating more than 1,116 branches within Malaysia. The branches operation is under full supervise of the Branch Manager and Assistant Branch Manager. Employees that are employed by the company are given 2 weeks training at training centre and transferred to the different 99 Speed mart branches. Within a short period of training given with low enough experience, training programme take time embed into learning transfer into day-to-day operation. (Matthews, P., 2017).

99 Speed mart is provides a variety of other services. The quality of the service of the company will ensure that customers loyalty. 99 Speed mart is among the local companies which understand the importance of quality and continuous improvement. 99 Speed mart is always striving for improvement in quality areas to satisfy customer needs. There are variety of services offered such as reload services, utility payment services, electronic payment services (MolPay and AliPay) and delivery services (Pigeon Services) are evidence that company keep change in market needs and wants to secure customers benefits. Thus, employees' workload seen increases significantly, to increase the efficiency of employee performance; Training practices are adapted into company to achieve target employee performance.

Training is a method that increases employee performance and corrects an employee's conduct. It is transmits into branches learning by experience and trial-error under guidance in order develop specific patterns of behaviour. This will develop knowledge and skills of employees as per the requirements of the job and eliminate performance problems (Surbhi, 2015). It helps to create culture of continuous learning and improvement at all levels. Thus, the researcher found the gap it is necessary to investigate the challenges of case study to maintain a well employee performance.

Hence, this study is aimed to study impact of existing training programs and challenges of existing training program with aim of making recommendations that

will lead to improved employee performance and organizational productivity as well as serving a framework for implementing continuous improvement at the organization.

1.3 Research Questions

The research question are the fundamental aspects of this research since it would focus on the area of concerns determine the suitable methodology and continuously guide this research into the stages of research which mainly consisted of inquiry, analysing and reporting. This study attempts to address the following research questions:

- a. What types of training program offer to new employee that influences employee performance?
- b. What are the factors that contribute to training effectiveness?
- c. How can improve the training effectiveness?

1.4 Research Objectives

The objective of the study was to investigate the challenges and prospects of employee performance in productivity in retail business in Melaka. In order to fully achieve the study purpose, research objectives were developed to guide through this research. The research objectives were stated as below:

- a. To investigate type of training program used by Case Study Company that influences employee performance.
- b. To determine the factors affecting training effectiveness on employee performance
- c. To recommend training improvement plans for improved employee performance

1.5 Scope of Study

This study focused on the impact of existing training programs and challenges of existing training programs in 99 Speed mart company. The study will cover the training centres in Melaka branches. The activities in the company will be examined.

1.6 Significant of Study

Nowadays, the training method has been widely used in various fields to do continuous improvement during the operation process. The retail business of training is intention to improve employee performance through training effectiveness. Thus, the study will to be able to identify the effectiveness of training program to improve employee performance on work. This research is important since the business is expanding rapidly to open new branches. This study can provide the management of the business ways to improve the performance that can be translated into business success.

1.7 Organization of the report

The research is organized into six sections: introduction to the study, review of literature, methods of studies, results and discussion of the findings, and lastly conclusion and recommendation.

The study background, problem statement, research questions, research objectives, scope of study, and study meaning are discussed in the introduction. This provides an overview of how the entire research is designed from a general point of perspective to the study's particular goals.

Chapter two discusses the study's literature review. The section offers all appropriate theories and the framework within which the research was performed in order to attain the study's goals. This chapter also presents a literature review on training needs assessment, concept of continuous improvement, employee training program, factors of training effectiveness, and conceptual framework design.

Research methodology of the study is discussed in chapter three. A qualitative method is developed a conceptual perspective to generate meaning and understanding of the phenomena.

The empirical part of the study gives a detailed investigation into the training activities of the operations department of Melaka Branches and performance problems and how they can be improved. Findings are analysed using the semi-structure interview and supported by varies of journal and article. The results attained from the analysis were carefully interpreted and discussed in detail to give an understanding or translation of the results.

The last chapter of the study presents conclusion and recommendations of the results together with management implication of the study based on the results and data analysed.

1.8 Summary

This section is about the study introduction that offers the reader with a general perspective of the studies. The introduction involves the context of the worker performance study and the implementation of training programs. This section will also include other aspects such as issue declaration, research issues, research goals, scope, and study significance.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The literature review presented the issues factors, idea, viewpoint and the findings of the research that others had undertaken in the study area. The objective is to give an overview of the significant literature published on a topic of research. The content in this section addressed training notion of continuous improvement. To accomplish the goal of this study and enhance the reliability of the studies, several problems of employee performance will be addressed and endorsed with multiple sources such as published books, journals, and internet article. To reinforce the knowledge of the reader, the researcher develop conceptual framework to describe the theory with the appropriate variable recognized and discuss how it was linked. The conceptual frameworks are created in terms of the gathering of knowledge and information from secondary data such as book and journal.

2.2 Training Needs Assessment

Evaluation of training needs is the very first step addressing the reason for conducting and implementing training. It also played a significant part in the design and creation of an efficient and successful training. It is the main factor in determining the required results of the training.

2.2.1 Definition of Training

Mpofu and Hlatywayo (2015) describes the training as a factor that plays a strategic part in any organization's achievement and effectiveness in the current global economy, involving the use of innovative technology and enhanced client response. According to Kashi (2014) training aims to enhance the skills and capabilities of staff by offering the required skills, expertise and skills for people and teams to boost the productivity, effectiveness, enhancement of skills and learning of an organization. It also improves manpower development and ensures the survival and growth of the organization. On the other hand, Noe (2013) describes training as a conscious attempt by an organisation to provide staff with job-related abilities, expertise, abilities and behaviours that can be applied to their day-to-day operations.

Training is referred to as a systematic approach to learning, typically designed for a short term and a particular job-related purpose, such as the operation of some machinery, to improve the team and organizational effectiveness (Aguinis & Kraiger, 2009). It intended to facilitate the learning of understanding, attitude and abilities among an organization's staff in order to enhance their present job performance and contribute to the accomplishment of organisational objectives (Edralin, 2015).

2.2.2 Importance of Training

Training has been increasingly invested in recent times, believing that it is a key pillar and a significant resource for any organization that contributes to an organization's effectiveness and effectiveness and productivity (Khan et al., 2011). Performance is a key component in achieving objectives (Khan et al., 2011), training is an major activity that boosts efficiency and has a separate function to incorporate the interests of the organization Employee productivity in an organization is now considered to be more essential than other types of riches by referring to assets owned by the organization or physical facilities obtained by the organization. Training has become a crucial instrument linked to employees ' good results or

efficiency as human capital is regarded as the riches of abilities and expertise, and this has been seen as playing an important part in organizations ' financial development.

Training is a useful tool for retaining a skilled and productive workforce and decreases employee turnover and conflict (Colarellie & Montei, 2011). Some of the importance of training as below:

- Training and growth work intentionally to increase the employee's effectiveness and influence the organization's achievements (Jehanzeb & Bashir, 2013)
- Training and growth helps to reinforce workplace skills weaknesses; staff needs to increase their skills and understanding to a greater level. This provides the worker with a better knowledge of his or her work duties (Kumar 2016).
- Training and development ensure a coherent background understanding and experience for staff. It is a way of making staff conscious of the processes by which things are accomplished and of the expectations of the organization. (Edralin, 2015).
- Providing organizations with training and growth gives workers a sense of a supportive workplace. This can affect employees ' satisfaction with their employment (Kumar, 2016)
- Training and growth programs enhance communication within an organization and help eliminate employee problems (Kumar, 2016)
- Training and growth help to create employee creativity and problem-solving abilities (Edralin, 2015)

2.2.3 Benefits of Training

Employee training benefits to the employee and organization vary. These benefits are associated with enhanced profitability, a greater level of organizational commitment of employees and a shift in worker attitude (Riaz et al., 2013). One of