The Effect of Employee Training on Human Resource Success in Bank Keshavarzi (Agricultural Bank) of Hormozgan Province

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Abstract

The purpose of the current study is to identify the effect of training on employee growth and success in Bank Keshavarzi. This research is conducted based on a descriptive survey design. The statistical population included all the employees participating in the training programs of Bank Keshavarzi of Hormozgan province, Iran, as well as their managers. Of these people, using cluster sampling, 360 were selected as the sample. The statistical methods Spearman correlation test and ANOVA were applied to data analysis. The result from test of the main hypothesis confirmed the effect of training on employee growth and success. Further, the obtained results indicated that in view of the managers and the employees, the training did contribute to such aspects as clarification of goals, ethical behavior, promotion of teamwork, improvement of employee morale, establishment of constructive communication, spirit of collaboration (partnership), and a healthy work environment.

Keywords: training, growth and success, clarification of goals, ethical behavior, improvement of morale, spirit of collaboration (partnership).
1. Introduction

Organizations today owe their fruitful and effective lifetime operation to efficiency of their managers and conscious, creative, and able employees. In regard to importance of managers Drucker (1954) says, “Managers are the rarest and at the same time most valuable capital of organizations”. The workforce in firms and organizations is considered as the most precious resource and asset by which an organization manages to survive in the competitive environment and keep pace with the made changes. Managers of organizations can through different ways, including intra-organizational training programs, improve employee empowerment state. Such training enables the participating employees to bring their subjective ideas into fruition and share each other’s experiences. As a result of this learning, people by properly performing their jobs would feel happy in the workplace, which in turn strengthens their morale and thereby prevents job fatigue among them. Training, if effective, has numerous benefits and it might be said that training is one of the highly effective methods leading the employees towards greater empowerment (Moye and Henkin, 2006). This issue is especially critical to banks, as they are in (close) contact with the visiting clients and given their goal which is providing better services to customers and the society. Considering the crucial role of bank branches in properly implementing the bank’s strategic policies, the success strategy and improvement of branches’ capabilities should be put on top of the bank’s agenda. In this regard, before implementing any new plan, the branches are required to receive the necessary trainings and relevant skills. Thus, employee success within a learning organizational context is among the values of highest priority to the human resource of Bank Keshavarzi. Therefore, from the emphasis that the bank expressively places on such values as employee self-esteem, customer dignity and respect, knowledge-orientation, and more importantly, on acquiring scientific and professional reputation internationally on the one hand, and the bank’s initiative in proposing conduction of this research to assess and identify the extent to which the training may affect the employee growth and success in Bank Keshavarzi on the other hand, it can be inferred that the employee training has a high place in this organization. Thus, the current study tries to answer the question as “how significant is the effect of the employee training on human resource growth and success?” and “whether the organized training programs would enable the employees to succeed in realizing clarification of goals, strengthening their morale, ethical behavior, promotion of teamwork, nurturing spirit of collaboration (partnership), establishing constructive communication, and a healthy work environment.”

2. Literature review

_Employee training:_ training is one of the most complex tasks in administration of each organization, especially in human resource management. Training refers to the planned efforts of an organization which facilitates employee learning in regard to their abilities. These abilities include employee knowledge, skill, or behavior which is essential for success of job performance (Raymond, 2008: 4).

_Spirit of collaboration:_ French, the French sociologist, considers collaboration individual mental and emotional involvement in a group situation which stimulates thinking and active effort for
realization of group’s purpose or objective. Hence, collaborative spirit suggests a process of mental and emotional engagement of an individual in a group situation whereupon the individual is encouraged to enter into collaboration (Dehghan and Ghaffari, 2005).

*Ethical behavior*: ethics as a set of psychological and inner characteristic of human being being finding expression in his actions and behaviors which proceed from his inner nature and for this reason, it is stated that ethics can be defined through its effects. Continuity and persistence of a certain type of behavior proves that the behavior has an inner root deep in one’s soul which is known as the root of temperament and disposition. Ethics normally is applied to individual domain, but when individual behaviors are extended to and diffused over social institutions and the society, they turn into a kind of collective ethics (or collectively shared ethical norms and values) taking root in culture of the society which becomes a dominant aspect by which the society can be characterized (Gharamaleki, 2008).

*Promotion of teamwork*: group interaction skill, such as discourse and collective thinking, through which ideas and learning are communicated between groups (Hinshaw, 2002).

*Morale improvement*: morale refers to a set of mental and ideological qualities in work environment which can be intensified or weakened. It is, in fact, an inner tendency based on which individual employee is eager to do more and better work resulting in psychological and material satisfaction (Moeedfar, 2001).

*Constructive communication*: communication serves as a system for cooperation, integration, and creation of a common ground for organization’s operation and boosting its productivity. Since communication is an integral part of each system and organization, all what affects improvement of quality and skill in communication will be crucial and considered as part of the constructive communication. In this regard, maintaining the organization integrity and interpersonal interaction among employees and minimizing the damage to organization’s reputation is of high importance to organizations (Samadi, 2006).

*Healthy work environment*: a healthy work environment is the condition in people and their organization which allows them to perform higher than what they normally are expected to even above all their rivals. As a result, the organization, in its class, in the best way turns into a productive, agile, and flexible entity (Nazem et al, 2010).

*Success*: it is continuous improvement in overall performance of an organization the immediate purpose of which is utilization of the competencies existing in the organizational members (Kinlaw, 1995). Success is a process of ‘becoming’ and should be considered as part of organizational culture (Niazi and Nasrabadi, 2009: 22).

3. Methodology

Considering the above, this study is conducted according to a correlational, descriptive-survey design in that the relationship of the employee training with their success and growth is assessed based on the data on the current state of the intra-organizational training and employee
empowerment in the understudy organization. The target population included all the participating employees in the training courses of Bank Keshavarzi as well as their managers (800 people in total) of whom, using the Krejcie and Morgan (1970) table for sample size, 260 were selected as the sample. The required data was obtained from two standard questionnaires graded in a 5-point Likert scale. Given the limited statistics, simple random sampling was used.

3.1. Conceptual model

Based on the theory, the research conceptual model is represented as follows (figure 1):

![Conceptual Model](image)

Figure 1 – Proposed conceptual model for employee training and human resource success

3.2. Research hypotheses

The main hypothesis: there is a significant relationship between employee learning and human resource growth and success.

The sub-hypotheses:
1. There is a significant relationship between employee training and clarity of their goals.
2. There is a significant relationship between employee training and their ethical behavior.
3. There is a significant relationship between employee training and promotion of their teamwork.
4. There is a significant relationship between employee training and their morale enhancement.
5. There is a significant relationship between employee training and establishing a constructive communication among them.
6. There is a significant relationship between employee training and their collaborative spirit.
7. There is a significant relationship between employee training and the health of their working environment.
8. Personal variables, such as age, gender, years of service, and education, have significant relationship with the sample employee’s attitude to human resource growth and success.

4. The results

Data analysis was performed in SPSS environment. Before test of hypotheses, data normality was verified using Kolmogorov-Smirnov test the result of which is presented in table 1.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Clear goals</th>
<th>Ethics</th>
<th>Teamwork</th>
<th>Morale</th>
<th>Constructive communication</th>
<th>Collaboratio</th>
<th>Work environment</th>
<th>Employee training</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>260</td>
<td>260</td>
<td>260</td>
<td>260</td>
<td>260</td>
<td>260</td>
<td>260</td>
<td>260</td>
</tr>
<tr>
<td>Mean</td>
<td>2.9051</td>
<td>2.8865</td>
<td>2.7913</td>
<td>2.7803</td>
<td>2.8179</td>
<td>2.7606</td>
<td>2.7258</td>
<td>2.8731</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>0.67718</td>
<td>0.7027</td>
<td>0.60800</td>
<td>0.5902</td>
<td>0.59616</td>
<td>0.51907</td>
<td>0.58622</td>
<td>0.65278</td>
</tr>
<tr>
<td>K-S Z</td>
<td>2.077</td>
<td>3.515</td>
<td>1.351</td>
<td>2.410</td>
<td>1.741</td>
<td>1.925</td>
<td>1.491</td>
<td>2.855</td>
</tr>
<tr>
<td>Asymp Sig.</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.038</td>
<td>0.000</td>
<td>0.001</td>
<td>0.023</td>
<td>0.000</td>
</tr>
</tbody>
</table>

According to table1, for all variables of human resource training and success, Sig. value is smaller than 0.05 based on which the null hypothesis (H₀) is rejected and the assumption on data normality is not confirmed. Hence, for test of hypothesis, Spearman correlation test is used.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Spearman correlation</th>
<th>Sig.</th>
<th>Level of error</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee training &amp; goal clarity</td>
<td>0.635</td>
<td>0.000</td>
<td>0.05</td>
<td>H₀ rejection</td>
</tr>
<tr>
<td>Employee training &amp; ethical</td>
<td>0.888</td>
<td>0.000</td>
<td>0.05</td>
<td>H₀ rejection</td>
</tr>
</tbody>
</table>

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Given the SPSS output summarized in table 2, the obtained significance value for each of the human resource success dimensions is smaller than 0.05 whereby the null hypothesis ($H_0$) is rejected. Thus, at 95 percent confidence, there is a significant association between employee training and human resource success. The correlation strength (correlation coefficient) regarding each of the human resource dimensions is given in table 2.

Table 3 – The results of the mean comparison test (ANOVA) of the research dimensions, given the demographical features

<table>
<thead>
<tr>
<th></th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F-statistic</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-group</td>
<td>3.210</td>
<td>12</td>
<td>0.268</td>
<td>0.638</td>
<td>0.809</td>
</tr>
<tr>
<td>Intra-group</td>
<td>102.809</td>
<td>245</td>
<td>0.420</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>106.19</td>
<td>257</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-group</td>
<td>1.962</td>
<td>12</td>
<td>0.164</td>
<td>0.809</td>
<td>0.641</td>
</tr>
<tr>
<td>Intra-group</td>
<td>49.499</td>
<td>245</td>
<td>0.202</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>51.461</td>
<td>257</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-group</td>
<td>4.434</td>
<td>12</td>
<td>0.370</td>
<td>0.509</td>
<td>0.908</td>
</tr>
<tr>
<td>Intra-group</td>
<td>177.985</td>
<td>245</td>
<td>0.726</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>182.419</td>
<td>257</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Years of service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-group</td>
<td>24.458</td>
<td>12</td>
<td>2.038</td>
<td>1.696</td>
<td>0.068</td>
</tr>
<tr>
<td>Intra-group</td>
<td>296.757</td>
<td>245</td>
<td>1.201</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>321.215</td>
<td>257</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

In table 3, the obtained significance level is greater than 0.05 confirming thereby the null hypothesis. Thus, at 95 percent confidence, the personal variables such as age, gender, years of service, and education has no effect on the human resource success.

5. Conclusion

The results indicated presence of a direct (given the positive correlation coefficient) which was statistically significant association between employee training and clarification of goals in Bank Keshavarzi. This result is consistent with the findings of Sanatti et al (2007), Eslami (2008), and Baird and Wang (2010).
The results confirmed existence of a direct (given the positive correlation coefficient) and statistically significant relationship between employee training and their ethical behavior in the understudy organization. The result was in line with the finding reported by Sanatti et al (2007), Eslami (2008), and Baird and Wang (2010).

The results also revealed existence of a direct and statistically significant relationship between employee training and promotion of teamwork. Same results were found by Eslami (2008), Baird and Wang (2010), and Rinehart and Short (1999).

A significantly direct relationship was found between employee training and their morale improvement which is consistent with the findings of Sanatti et al (2007), Eslami (2008), and Baird and Wang (2010).

Further, the results confirmed presence of a positive (direct) and statistically significant relationship between employee training and establishment of a constructive communication in the mentioned organization. This result supports the results found by Sanatti et al (2007), Eslami (2008), and Baird and Wang (2010).

The results, consistent with the findings of Sanatti et al (2007), Eslami (2008), and Baird and Wang (2010), affirmed a direct and statistically significant association between employee training and their spirit of collaboration in the mentioned organization.

Finally, according to the results, employee training had a direct and statistically significant relationship with the healthy work organization. Similar results were found by Sanatti et al (2007), Eslami (2008), Baird and Wang (2010).

However, our data did not support the assumed relationship between demographic variables (or personal attributes), such as age, gender, years of service, education, and attitude of the sample employees and human resource success and growth. By properly implementing the training programs according to ability and expertise of each employee, the existing differences in age, work experience, education, and gender among employees will soon disappear. Employees by participating in different courses with diverse topics are likely to acquire more information so that materials will be more frequently communicated and more widely used in the workplace and this will further promote their empowerment. The obtained results in this study on the relationship of personal variables with human resource success and growth are consistent with those of Khateri (1999) and contradict those reported by Spreitzer (1996) and Soleimanian (2002).

6. Suggestions

Good quality training courses by raising awareness among employees, and enriching their knowledge, skill and ability enable employees to solve their job-related problems, so as by properly performing the tasks and responsibilities their redundant and repeated transfer is avoided and this itself is a step towards a healthier work environment. In addition, by communicating the required information on the work environment during the training sessions, the well-informed
employees would be able to render a more satisfactory performance. Fostering the spirit of collaboration among the employees in the bank environment often takes place through delegation of authority and engaging the employees in organizational issues. Although actual engagement of employees in the job performance process is undoubtedly fruitful, nurture of collaborative spirit in employees through training beside of other factors will be more decisive, because by learning of the necessary competencies, the employees would find themselves well prepared for participation in organization decision makings and projects and for such ability they feel honored for possessing such ability, giving them a strong sense of self-efficacy.

Employees should feel compelled, or rather committed, to change. In other words, employees should create the motivation to change in themselves and express it in their behavior. Considering the speed of the scientific advances worldwide, all humans need to adapt themselves with the exigencies of the modern time. In the present time, everything has an expiry date, even an academic degree, if not updated, will soon lose its validity. Thus, employees are required to equip themselves with the updated knowledge and skill of the task or function they undertake.

A healthy work environment makes sure that a mutual trust exists between employees and their superiors and organization provides the employees with favorable condition for their progress. In this regard, for better execution of the assigned tasks, the required information on organization’s objectives and performance should be available to employees. In addition, by good performance director of an organization acts as a model for employees, so as they are encouraged to observe work ethics in delivering services, treat each other in fairness, and make effort to create a healthy and constructive competitive environment in organization. In other words, it is made sure that truthfulness and integrity prevails across all work units.

In order to foster collaborative spirit in employees, the use of such methods as group discussion, conference, and seminar is recommendable. In this process, feedback and other complementary information should be provided in order to create greater awareness among employees regarding the necessity thereof.

In regard to employee participation in the training programs, to enhance the employee’s knowledge of the organization and society, and to improve their performance in serving the organization and customers, while their participation in training programs is facilitated, they should be offered as far as possible the opportunity to attend various training courses.
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