

**THE EFFECTIVENESS OF TRAINING TOWARDS JOB EFFECTIVENESS  
WITH JOB PERFORMANCE AS MEDIATING VARIABLE**

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The Effectiveness of Training towards Job Satisfaction with Job Performance as  
Mediating Variable:

At Muda Agricultural Development Authority (MADA)

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## DEDICATION

A special gratitude dedicated to my mother, Latifah bt.Ali and my father, Basir b. Mat Isa. Thanks for the continuous support and encouragement along my studies. My siblings, who are always besides me when needed, thank you so much.

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## ABSTRACT

The aim of this research is to study the effectiveness of training towards job satisfaction with job performance as mediating variable. About 310 sets of questionnaires distributed to respondents from MADA employees to collect the answer and 222 questionnaires are collected back. The questionnaires then being analyze quantitatively by using Statistical Package of Social Science (SPSS). Results show that training and job performance has significance value towards affecting job satisfaction. This research is useful for management and academia to study further on the relationship between the effectiveness of training methods and the employees work performance. Recommendation for future research is the organization can improve and organized training more frequently so that the frequency of training course attended by employee will be increasing.

**Keywords:** *Training, job performance, job satisfaction, Muda Agricultural Development Authority (MADA)*

## **ABSTRAK**

*Tujuan kajian ini adalah untuk mengkaji keberkesanan latihan terhadap kepuasan kerja dengan prestasi kerja sebagai pengantara berubah-ubah. Kira-kira 310 set borang soal selidik diedarkan kepada responden yang terdiri daripada kakitangan MADA untuk mengumpul jawapan dan 222 borang soal selidik yang telah lengkap dijawab dikutip. Soal selidik yang telah lengkap dijawab kemudiannya dianalisis secara kuantitatif dengan menggunakan Pakej Statistik Sains Sosial (SPSS). Keputusan menunjukkan bahawa latihan dan kerja prestasi mempunyai nilai signifikan yang dapat mempengaruhi kepuasan kerja. Kajian ini berguna untuk pengurusan dan ahli akademik untuk mengkaji lebih lanjut mengenai hubungan antara keberkesanan kaedah latihan dan prestasi kerja pekerja. Cadangan untuk kajian akan datang ialah organisasi boleh meningkatkan dan melaksanakan latihan dengan lebih kerap supaya kekerapan kursus latihan yang dihadiri oleh pekerja akan meningkat.*

**Keywords:** *Latihan, prestasi kerja, kepuasan kerja, Lembaga Kemajuan Pertanian Muda (MADA)*

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Background of the Study

Training consists of an organization's planned efforts to help employees acquire job related knowledge, skills, abilities, and behaviors, with the goal of applying these on the job. A training program may range from formal classes to one-on-one mentoring, and it may take place on the job or at remote locations. No matter what its form, training can benefit the organization when it is linked to organizational needs and when it motivates employees (Noe et al., 2011: 223). The purpose of this research is to study the effectiveness of training to enhance job performance and job satisfaction.

Understanding the phenomenon of employee training and development requires understanding of all the changes that take place as a result of learning. As the generator of new knowledge, employee training and development is placed within a broader strategic context of human resource management, i.e global organizational management, as a planned staff education and development, both individual and group, with the goal to benefit both the organization and employees. To preserve its obtained positions and increase competitive advantage, the organization needs to be able to create new knowledge, and not only to rely solely on utilization of the existing (Vemić, 2007).

Obtaining knowledge, learning, education, all could have a real effect on the quality of labour only if they are harmonized with the needs of a particular organizations, its goal and the goals of its employees. The further choice of educational contents and educational methods, and the efficiency of educational effectiveness control depend on clearly defined educational goals and needs, answers to the questions of which knowledge is necessary to realize the strategy and the survival of the organization in general, which employees need to possess this knowledge and will this knowledge solve certain problems (Vemić, 2007).

### **1.2 Statement of the Problem / Research Question**

- i. What is the influence of training towards job performance?
- ii. What is the influence of job performance towards job satisfaction?
- iii. What is the influence of training towards job satisfaction through job performance?
- iv. What is the influence of training towards job satisfaction directly?

### **1.3 Research Objectives**

- i. To identify the influence of training towards job performance.
- ii. To identify the influence of job performance towards job satisfaction.
- iii. To identify the influence of training towards job satisfaction through job performance.
- iv. To identify the influence of training towards job satisfaction directly.

#### **1.4 Scope, Limitations and Key Assumptions of the Project**

Training for employees is essential to improve the job performance of employees. Hence, this research aims to focus on the effectiveness of training towards employees' job satisfaction in organization which has the impact on job performance as mediating variable. The way to get data is through quantitative method such as distributes questionnaires sheet to employees at Muda Agricultural Development Authority (MADA). The purpose of this study also aimed to measure the extent to which employees apply their knowledge and skills which they have acquired during the training to improve their job performance.

#### **1.5 Significance of the Study**

- i. This study is significance for organizations to measure the relationship of training towards job performance and job satisfaction.
- ii. This study also significance for organizations to measure the effectiveness of training to enhance the employees' job performance, hence the influence on job satisfaction.
- iii. This study also significance for others for example the organization itself and others as a reference and guideline in the future.

## CHAPTER 2

### LITERATURE REVIEW

The nature of the modern business environment makes training more important today than it ever has been. Rapid change, especially in the area of technology, requires that employees continually learn new skills (Noe et al., 2011: 223). With training so essential in modern organizations, it is important to provide training that is effective. An effective training program actually teaches what it is designed to teach, and it teaches skills and behaviors that will help the organization achieve its goals (Noe et al., 2011: 223).

All organizations must manage four resources: money, equipment, information, and people. Investment in better equipment may speed up production or reduce waste. Information is power; data about products, prices and customers are essential to every business. Investment in training and development of employees can make them more productive or more effective in their jobs, directly contributing to the bottom line (“Training and Developing Employees”).

Most organisations are cognizant of this requirement and invest effort and other resources in training and development. Such investment can take the form of employing specialist training and development staff and paying salaries to staff undergoing training and development. Investment in training and development entails obtaining and maintaining space and equipment. It also means that operational personnel, employed in the organisation's main business functions, such as production, maintenance, sales, marketing and management support, must also direct their attention and effort from time to time towards supporting training development and delivery. This means they are required to give less attention to activities that are obviously more productive in terms of the organisation's main business. However, investment in training and development is generally regarded as good management practice to maintain appropriate expertise now and in the future (Shepherd).

## **2.1 Training**

### **2.1.1 Definition**

Training refers to a planned effort by a company to facilitate employees' learning of job-related competencies. These competencies include knowledge, skills, or behaviors that are critical for successful job performance. The goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to their day-to-day activities (Noe, 2008: 4).

Employee training is a learning experience: it seeks a relatively permanent change in employees that improves job performance. Thus, training involves changing skills, knowledge, attitudes, or behavior. This may mean changing what employees know, how they work, or their attitudes toward their jobs, co-workers, managers, and the organization. It has been estimated, for instance, that U.S. business firms spend billions of dollars each year on formal courses and training programs to develop workers' skills.

Managers, possibly with HRM assistance, decide when employees need training and what form that training should take (DeCenzo & Robbins, 2010: 190).

For this study, researcher is focusing more on employee training than employee development. DeCenzo and Robbins (2010: 190) explain that although both are similar in learning methods, their time frames differ. Training is more present-day oriented; it focuses on individuals' current jobs, enhancing those specific skills and abilities needed to immediately perform their jobs. Employee development, on the other hand, generally focuses on future jobs in the organization.

### **2.1.2 Purpose of Training**

The purpose of training employees is to improve their knowledge and skills, which improves their individual capability. Whether the training should be done is a kind of cost-benefit calculations; the improvement in the employees' job performance should be greater than the cost of training the employees. The cost of the training program includes the time and cost to develop the cost, instructional materials, equipment, the wages of the trainers, and lost productivity of the employees while they are in the training program. The benefits of a training program include time savings, improved productivity, and improved product or service quality ("Training and Developing Employees").

According to Byars and Rue (2008: 160), training is a learning process that involves the acquisition of knowledge, skills and abilities (KSA) necessary to successfully perform a job. Several reasons exist for an organization to conduct training for its employees. Outlined below are some of the reasons:

- Economic, social, technological, and government changes can make the skills learned today obsolete in the future.

- Planned organizational changes (such as the introduction of new equipment) can make it necessary for employees to update their skills or acquire new ones.
- Performance problems within an organization such as low productivity or larger scrap problems can be reduced by training.
- Regulatory, contractual, professional, or certification issues can require an employer to provide training for its employees.

Normally, a new employee's manager has primary responsibility for her/his job training. Sometimes this training is delegated to a senior employee in the department. Regardless, the quality of this initial training can have a significant influence on the new employee's productivity and attitude toward his or her job (Byars and Rue, 2008: 160),

According to DeCenzo and Robbins (2010: 191), indications that job performance is declining may include production decreases, lower quality, more accidents, and higher scrap or rejection rates. Any of these outcomes might suggest that worker skills need to be fine-tuned. Of course, we are assuming that the employee's performance decline is in no way related to lack of effort. Managers, too, must also recognize that a constantly evolving workplace may require training. Changes imposed on employees as a result of job redesign or a technological breakthrough also require training.

It is important to put training into perspective. Training may be costly, and it should not be viewed as a cure-all for what ails the organization. Rather, judge training by its contribution to performance, where performance is a function of skills, abilities, motivation, and the opportunity to perform. Managers must also compare the value received from performance increases attributable to training with the costs that training incurred (DeCenzo & Robbins, 2010: 191).

Once it has been determined that training is necessary, training goals must be established. Management should explicitly state its desired results for each employee. It is not adequate to say we want change in employee knowledge, skills, attitudes, behavior, we must clarify what to change and by how much. These goals should be tangible, verifiable, timely, and measureable. They should be clear to both the supervisor and the employee (DeCenzo & Robbins, 2010: 191).

### 2.1.3 Training Methods

**Table 2.1: Typical Training Methods (Source: DeCenzo & Robbins, 2010: 192)**

<b>On-the-Job Training Methods</b>
<p><b>Job Rotation</b> has long been considered as valuable tool to increase employee motivation. Job rotation involves lateral transfers that allow employees to work at different jobs and provides exposure to a variety of tasks. As with any training, HRM should take care to make sure the trainers not only know the job, but how to train others as well. Employers often move new hires through a rotation of different roles in the organization such as marketing, finance, and operations before they settle into a permanent position.</p>
<p><b>Apprenticeships</b> are frequently used to combine classroom instruction in combination with working alongside a seasoned veteran, coach, or mentor. The combination of hands-on and classroom learning compliment each other. Apprenticeships are frequently used in skilled trade or craft jobs such as building trades. The experienced worker provides support and encouragement in addition to training.</p>
<p><b>Internships</b> are opportunities for students in higher education to utilize their instruction and training in a chosen profession as part of their education. Internships vary from very unstructured to highly structured and may include</p>

college credit. Organizations usually value internships as a way to reduce recruitment expenses without creating an obligation of regular employment. Interns also provide a valuable source of new ideas and creativity. Students participating in internships gain valuable real-world experience and greatly enhance their value to prospective employers.

**Table 2.2: Typical Training Methods (Source: DeCenzo & Robbins, 2010: 192)**

<b>Off-the-Job Training Methods</b>
<p><b>Classroom Lectures</b> probably don't need much explanation at this point of your education, but once you finish college, you may not have seen the inside of your classroom. Many organizations use classroom instruction along with other methods to provide a great deal of information in a limited timeframe. Instructors need to understand the different learning characteristics of adult learners and the variety of types of instruction that create interest in the specific technical, interpersonal, or problem-solving skills they are teaching.</p>
<p><b>Multimedia Learning</b> can demonstrate technical skills not easily presented by other training methods. This may include videos and DVDs that may be offered online.</p>
<p><b>Simulations</b> involve learning a job by actually performing the work (or its simulation). Simulation methods may include case analyses, experiential exercises, computer simulations, virtual reality, role playing, and group interaction.</p>
<p><b>Vestibule Training</b> facilitates learning by using the same equipment that one actually will use on the job but in a simulated work environment.</p>