

**Mediating Character of Readiness to Change
Between Training & Development
And Employees Performance**

Ali Ijaz Asim¹, Muhammad Waqas², Luqman Jamil Cheema¹

¹Global Institute Lahore (Pakistan). ²Comsats Institute of information technology Lahore (Pakistan),

Abstract

The purpose of this paper is to explore the liaison of training and development with employee's performance at workplace, also aimed to identify the role of training & development in modifying employees' behavior for Readiness to change. A self-administered questionnaire was designed and filled from call center employees of all five cellular companies in Pakistan. This study will help management to find out the employees attitude regarding training & development that enhance employees performance positively.

Keywords Readiness to change, Training & Development, Employee Performance, Employee Attitudes, Employee Behaviors

Paper type: Research Paper

Introduction

Change is the operation that continues due to environmental, technological, ethnical changes that leads organizations to suffer and act accordingly in routine that affected employees directly and indirectly which leads towards organizational performance and organizational development, thus change keep active an organization to get prepared as competent and prompt. (Shah 2011). To understand employees' expectations, behaviors and attitude is somehow difficult because human attitudes, behaviors and expectations vary from time to time and situation to situation. History shows that employees thinking, acting and behaviors are important elements for consideration in order to achieve organizational change successfully (Weber and Weber 2001). Many researcher emphasized the necessities to determine the suitable attitudes and behaviors of employees that become supportive while change adoption (Armenakis, Harris et al. 1993; Bernerth 2004; Madsen, Miller et al. 2005). Many researches has been made to identify the reasons for change and ways to develop attitudes that leads to barrier less change(Bernerth 2004; Rafferty and Simons 2006; Holt, Armenakis et al. 2007; Elias 2009). Research can be the best way to identify the key elements that become helpful in developing constructive attitudes that ensure and enhance successful organizational change.

(Smith 2005) support that change is the operation of agitated towards new and several states in organizations. Managing change at spacious, is upright nearly to managing people; the human resource, as an intrinsic integer in organizational change and at the same time, largest hurdles for change.). According to him, it is grouping who pretend up the organizations, and it is they, who are the factual inspiration of the organizations for change. If organizational change is to get concord and follow, then the administration and the people who work in them must be prompt for this transmutation. Readiness to change is not automatic and assumptive. A loser to determine organizational and employees readiness to change may grounds in managers occurring huge time, money and vitality to succeed actions of change. By creating change readiness before attempts can refrain conditions for change mostly. An investment in developing change readiness for both, an individual and organizational level as a whole can be good twice, in quantity of preparation for change with confidence and positive energy and reaction in the essential of resistance for change.

In past researches, authors determined many different variables to identify the readiness of change like change agent role, participation, thinking and behaviors. (Hanpachern, Morgan et al. 1998; Chaudhary, Eby et al. 2000; Cunningham, Woodward et al. 2002; Madsen, Miller et al. 2005; Rafferty and Simons 2006; Bernerth, Armenakis et al. 2007). Therefore, different studies are going to be done to reveal more attributes that become supportive in developing employees' attitude while organizational change (Bernerth 2004; Madsen, Miller et al. 2005). Though prior researches about employee readiness for organizational change are respected but researchers did not explore Readiness to Change (RC) as Mediator between Training & Development (T&D) and Employee Performance (EP).

The role of training and development is salient in developing employee's readiness for change and reduction of resistance for change at organizational level. Through soft skill training (Employees' motivation for change, its positive effects on employees and organizational performance, Showing path for organizational success as well as employee career paths) and technical training (Required skills for that change), by modifying employees' behaviors, management can groom employees for upcoming change.

Today's acting environment where the marketplace is progressively contending and the appraisal of innovation is rising, together with the push of the egress of global knowledge-based scheme, hit prefabricated telecommunication organizations to see that Training & Development is their key asset (Snyman and Kruger 2004). On entry the new knowledge-based system, telecommunication organizations meet regularly many plain and stricter rivalries in global market place than ever before. Know-how, growth, and implementation know thusly beautify the key communicator of set competency for this industry (Seng and Lin 2004). (Vicere 2000) support as telecom industry today braving a constantly dynamic acting environment. Incorporative worldwide competition and rapidly onward technology are creating an economy requiring organizations to build abendable and highly versatile hands so considerably learned and competent strength is advised to be crucial to the success and development of the organization (Kitching 1998) and also vital to gaining a competitive advantage in a global economy (Huang 2001). It has also been constituted for many times that training and education are the strong way to cut business failure (Menzies and Paradi 1999; Ibrahim and Soufani 2002; Menzies 2004).

According to the resource-based study of business, employees are the strategic asset in structuring and maintaining a sustainable capitalistic advantage. Strategic assets are unbendable resources that are simultaneously thin, important, imperfectly imitable and non-sustainable (Barney 1991). Employee knowhow; that is the knowledge, participate and skills of employees, is wise a strategic resource because it meets these characteristics (Michalisin, Kline et al. 2000). Organizations that continuously render training and development opportunities to their employees can learn employee knowhow that intensify employees' action (Long and Smith 2004).

Telecommunication industry in Pakistan has continuous growth from last many years and it increasing day by day. According to PTA, Total Teledensity (in %) (Fixed + WLL+ Mobile) was 4.31 in 2003-04 and reached to 68.6 in October 11, in which contribution of Annual Cellular Mobile Teledensity (in %) was 3.29- 65.2 (2003-04 to Oct 11), Annual Fixed Local Loop Teledensity (in %) was 3.00-1.8 (2003-04 to Oct 11), Annual WLL Teledensity (in %) was 0.17-1.6 (2003-04 to Oct 11), Card Payphones (in %) was 51.0-9.7 (2003-04 to 2008-09) and most three important things Telecom Contribution to Exchequer

(Rs. In billion) was 38.40-117.0 (2003-04 to 2010-11), Foreign Direct Investment (US \$ million) was 21.8-5.0 (2003-04 to 2010-11), Telecom Revenues (Rs. million) was 116,827-362,935 and Telecom Investment (US \$ million) was 835.2-495.81 (2003-03 to 2010-11).

Companies in telecom sector of Pakistan covering outstanding rivalrous pressure on divergent aspects like approving of new disciplines, innovation, consumer spirit, new surface as existing products, their pricing, location through comely promotions for them. In prescribe to edict in the business and contend the market, mobile operator companies of Pakistan needs to prepare their employees up to affiliate with the industry to prolong in contention, accept new technologies, concentration on consumer spirit, innovation, and this all is exclusive affirmable condition of employees in all these activities so can employees hear and prepare their skills with liveliness for existing tasks as advantageously upcoming tasks to raise their performance. Many researches had prefabricated on training and development and employees performance but this study is incomparable because of hiding gap, through investigating employees readiness to change as mediator between training and development and employees performance, evidence from telecom industry of Pakistan

Literature Review

Training & Development refers to organizational activities aimed at betterment of Individual, group and Organizations' performance as well. Training & Development program designing is one of the main work issues for company's management now a day that seeks to gain benefits to engage employees in change, transform their attitudes and behaviors for readiness to change and motivate them to enhance their work performance. (Baron and Kreps 1999) added that modern human resource literature examine what is regarded as training & development benefits i.e. innovation, reduce employee turnover, new product development, employees motivation, total quality management, smooth organizational processes, customer satisfaction, employment relationship building, reengineering, mergers or acquisitions, reinforcement of organizational culture or improvement in employees productivity. A highlighted characteristic of training & development benefits is flexible transfer of activity in compatibility to employee's acquisition styles. The systemic supposition is that those businesses that pay more aid to training & development will be undefeated in the longer run. Evidence from history, those who render a more constructive join to the relation constitute that training could help secure increase, existence, gain and fruitfulness and capitalistic advantages (Marshall, Alderman et al. 1995; Betcherman, Leckie et al. 1997; Kitching 1998; Smith and Whittaker 1998; Huang 2001). (Banfield, Jennings et al. 1996) support that training activity can, and should be a omnipotent factor of interchange, enable and facilitate to raise, enhance and improve its capabilities thus increasing profitability. (Huang 2001) suggests that firms with intelligent training systems and hard management strengthen supporting for training mortal useful training programs and many victorious in delivering training. Training assisted in facilitating the implementation of strategy by providing employees with the necessary skills and the knowledge required to perform their jobs (Fernald Jr, Solomon et al. 1999). At the pace with which business is changing, especially in the new knowledge economy, new learning is required for the small business operator to be both up to date with current business practices and to also maintain any possible competitive advantage.

The systematized process of initiating and properly implementing training & development programs can motivate employees to accept training needs to sharpen their skills required for desired change that should start Firstly, with the sorting of training needs to check whether training is the someone statement to communicate the presenting issues. In gross, this reasoning consists of analyzing the system as an object (e.g. goals, objectives, keep on training), the tasks of the job(s) in ruminant, and the employees performing the job (Tannenbaum and Yukl 1992; Salas and Cannon-Bowers 2001; Arthur Jr, Bennett Jr et al. 2003). It is also sorting the judgment of trainees' preparedness for training which must be contributory to acquisition in prescribe for the schedule to be prospering (Cheng and Ho 2001). Secondly, developing the specialized training and appraisal methods to be utilized involves ensuring an acquisition environs that enables transfer of training and processing assessment methods that accurately shine the strength of training (e.g. summative or formative evaluation; Scriven, 1996). Thirdly, a show of activity techniques can be victimized while implementing a training & development program. Some conventional methods of training are on-the-job training, case studies, lectures, audiovisual, business games, role plays and behavior modeling,

however, with the advancement of technology day by day, new methods of training have utilized, such as the internet, laser discs, CD-ROMs, DVDs, and interactive videos.

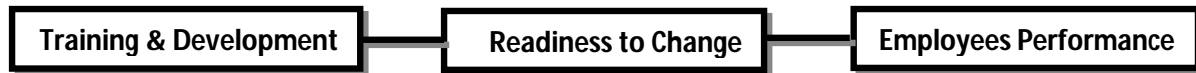
Finally, the assessment of training & development idea refers to the consonant monitoring of how the training succeeds (Tannenbaum and Yukl 1992; Salas and Cannon-Bowers 2001; Arthur Jr, Bennett Jr et al. 2003). (Salas and Cannon-Bowers 2001) support that judgment plays a great thing in provision and choosing a activity method, monitoring the training performance, and suggesting changes to the grooming organizational growth so uninterrupted judgment of how preparation is progressing, evolving, and excavation is indispensable.

Employee performance has been defined as the value an organization can expect from discrete behaviors performed by employees over time (Borman and Motowidlo 1997). Several assumptions including the idea that employee performance is behavioral, episodic, evaluative, and multidimensional. Further, these researchers distinguish between behavior and performance, suggesting that behavior broad organizational, social, and psychological environment of the organization in contrast to behaviors that support the organization's technical core (Borman and Motowidlo 1997). Demonstrating the utility of studying employee performance bi-dimensionally found that employee motivation (curiosity) and socialization-related learning processes significantly and positively predicts both types of job performance.

H1: Employees taking training and development on regular basis with ultimately work for high organizational performance with greater performance at work.

METHODOLOGY

Theoretical Frame work



Sample and data collection

In order to empirically validate the relationships as formulated, a total sample of 100 was collected from the call center employees belonging to the telecom sector of Pakistan using self-administered questionnaires method. Initially 150 questionnaires were handed over to the employees working in Telecom sector but only 115 questionnaires were returned making the response rate 76% out of which 15 questionnaires were not finally considered in the analysis as they were uncompleted so the actual response rate was 66% which was used for further analysis.

MEASURES

Training & Development (T&D)

There was 10 items used to measure the Training & Development (T&D) have been rated on a 5 point Likert Scale. This scale ranged from 1 = Strongly Disagree to 5 = Strongly Agree. The reliability analysis disclose value of Cronbach's alpha ($\alpha = 0.862$) with this data.

Employee Performance (EP)

10 items was used to measure the Employee Performance (EP) on same 5 point Likert scale. This scale also ranged from 1 = Strongly Disagree to 5 = Strongly Agree. The reliability analysis revealed value of Cronbach's alpha ($\alpha = 0.860$) with this data.

Readiness to Change (RC)

To measure the Readiness of Change (RC), 6 items was adopted on the same scale ranged from 1 = Strongly Disagree to 5 = Strongly Agree. The reliability analysis revealed value of Cronbach's alpha ($\alpha = 0.674$) with this data.

ANALYSIS & DISCUSSIONS

Demographical Analysis

A self-administered questionnaire was designed and filled from call center employees of cellular companies of Pakistan (Mobilink, Warid, Telenor, Ufone and Zong). Questionnaire had different demographical variables like Gender, Age, Qualification and Experience.

Table-1 Demographical Analysis

| Demographic Profile | | Frequency | Percentage |
|----------------------|-----------------------------------|-----------|------------|
| Gender | Male | 70 | 70.0 |
| | Female | 30 | 30.0 |
| Age | Below 20 Years | 06 | 6.0 |
| | 20-25 Years | 35 | 35.0 |
| | 25-30 Years | 37 | 37.0 |
| Qualification | Above 30 Years | 22 | 22.0 |
| | Less than 16 Years | 20 | 20.0 |
| | 16 Years | 53 | 53.0 |
| Experience | 18 Years or more | 27 | 27.0 |
| | Less than 2 Years | 37 | 37.0 |
| | More than 2 but less than 5 Years | 40 | 40.0 |
| | 5 Years and above | 23 | 23.0 |

Analysis (Tabel-1) shows that in Gender variable 70 % respondents were Male and 30% Female. Age variable analysis shows that about 6 respondents out of 100 were below 20 Years, 35 respondents were in the range of 20-25 Years, 37 respondents were 25-30 Years old and 22 respondents were above 30 Years of Age. Qualification analysis shows that there was 20% of the whole respondents were having bachelor degree (Less than 16 Years), 53% respondents had 16 years qualification and 27% were 18 Years or more qualified. Similarly Experience variable analysis shows that 37 respondents had less than 2 Years of experience, 40 respondents had more than 2 but less than 5 Years of experience and 23 respondents had 5 Years and above experience.

Table-2 Reliability analysis

| Variables | Cronbach's Alpha | No of Items |
|--------------------------|------------------|-------------|
| 1 Training & Development | .862 | 10 |
| 2 Employee Performance | .860 | 10 |
| 3 Readiness to Change | .674 | 6 |

The results disclose that for the ten items included in the questionnaire in order to measure the Training & Development(T&D) effect had a value of 0.862 which showed a strong reliability among the items being included in the questionnaire. To measure the Readiness to change (RC) and its mediating effect on the relationship, total 6 questions were put in the same way. After having the reliability analysis the results showed that the value was 0.674, which also signifies the results as reliable. Total ten items in order to measure the Employee Performance (EP) designed and included in questionnaire and analysis showed reliability of 0.860, which suggested that there exists a strong reliability as any value above 0.70 shows a strong reliability among items.

After getting the reliability of data, descriptive analysis used to find out the Mean and Standard Deviation. Table-2 showing that Mean of all three variables are 3.64 (T&D), 3.99 (EP) and 3.37 (RC).

Table-3 Mean, Standard Deviation and Correlation

| Table Mean, Standard Deviation and Correlations | | | | | |
|--|--------|--------|--------|--------|----|
| Variables | Mean | S.D | T&D | EP | RC |
| Training & Development (T&D) | 3.6490 | .71414 | 1 | | |
| Employee Performance (EP) | 3.9960 | .62116 | .411** | 1 | |
| Readiness to Change (RC) | 3.3750 | .67185 | .334** | .323** | 1 |

**Correlation is significant at the 0.01 level (1-tailed)

Table-03 showed that the Descriptive statistics of Training & Development (Mean = 3.64, Std. Deviation = 0.71), Employee Performance (Mean = 3.99, Std. Deviation = 0.62) and Readiness to Change (Mean = 3.37, Std. Deviation = 0.67). The table also reflected the Correlations between Independent and Dependent variables. The independent variable (Training and Development) has significant and positive relationship with Employee Performance ($r=0.41$, $p=0.01$) and Readiness to Change ($r=0.33$, $p=0.01$) whereas the mediating variable (Readiness to Change) also has significant and positive relationship with employee performance ($r=0.32$, $p=0.01$).

Mediation Analysis thorough Regression

Regression analysis was used in order to investigate the impact of independent variables on the dependent variables by using version 20 of SPSS. At the first step of regression, Independent variable i.e. Training & Development (T&D) was tested with Mediator i.e. Readiness to Change (RC) by taking it as a dependent variable. The table showed that independent variable reflects 10% variance in the mediating variable and significant model value ($f=12.30$, $p=0.001$). The results also indicates that training & development has positive and significant impact ($b=0.31$, $p = 0.001$) on readiness to change.

Table-4

| | Dependent Variable Readiness to Change | | | |
|---|---|-------|---------|-------------|
| | Adjusted R2 | B | t-value | Significant |
| Training and Development (Model Significance = 12.301* | .102 | 0.314 | 3.507 | 0.001 |

At second step, Training and Development (T&D), an independent variable regressed with dependent variable i.e. Employee Performance (EP). The result showed that independent variable reflects 16% variance in the mediating variable and significant model value ($f=19.89$, $p=0.000$). The results also indicates that training & development has positive and significant impact ($b=0.35$, $p = 0.000$) on Employee Performance.

Table-5

| | Dependent Variable Employee Performance | | | |
|---|--|-------|---------|-------------|
| | Adjusted R2 | B | t-value | Significant |
| Training and Development (Model Significance = 19.893* | .160 | 0.357 | 4.460 | 0.000 |

Third step in Regression analysis start by taking Mediating variable i.e. Readiness to Change (RC) as an independent variable and regress it with Employee Performance (EP) a dependent variable. The result showed that independent variable reflects 9% variance in the mediating variable and significant model value ($f=11.39$, $p=0.001$). The results also indicates that Readiness to Change (RC) has positive and significant impact ($b=0.29$, $p = 0.001$) on Employee Performance.

Table-6

| | Dependent Variable Employee Performance | | | |
|--|--|-------|---------|-------------|
| | Adjusted R2 | B | t-value | Significant |
| Readiness to Change (Model Significance = 11.393* | .095 | 0.298 | 3.375 | 0.001 |

In last step of Mediation, Training & Development (Independent variable) and Readiness to change (Mediator) both took as an independent variable and tested regression with Employee Performance. The result showed (Table-7) that Independent variables (T&D, RC) reflects 19% variance in the mediating variable and significant model value ($f =12.69$, $p=0.001$). The result also indicate that Training & Development (T&D) has positive significant impact ($b=0.29$, $p=0.001$) on Employee Performance (EP) and Readiness to Change (RC) also has positive significant impact ($b=0.19$, $p=0.032$) on Employee Performance (EP). Since the Beta value of Training & Development has decreasing from 1st step ($b=0.31$) to 3rd step (0.29) showing that there is partial mediation exist.

Table-7

| | Dependent Variable Employee Performance | | | |
|--|--|------|---------|-------------|
| | Adjusted R2 | B | t-value | Significant |
| Training and Development | .191 | .297 | 3.556 | 0.001 |
| Readiness to Change (Model Significance = 12.697* | | .193 | 2.178 | 0.032 |

Now it can be comprehensively conclude that training and development in telecommunication sector has strong and positive relation i.e. if cellular companies continuously focus on their employees' training and development then they can get higher performance through their employees by polishing and utilizing their skills. As results also showed the partial mediating effect of readiness to change between the training & development and employee performance, so readiness to change should also be considered by the companies before giving them training so that a higher outcomes can be generated through the training & development programs.

REFERENCES:

- Armenakis, A. A., S. G. Harris, et al. (1993). "Creating readiness for organizational change." Human relations**46**(6): 681-703.
- Arthur Jr, W., W. Bennett Jr, et al. (2003). "Effectiveness of training in organizations: A meta-analysis of design and evaluation features." Journal of Applied Psychology**88**(2): 234.
- Banfield, P., P. L. Jennings, et al. (1996). "Competence-based training for small firms--An expensive failure?" Long Range Planning**29**(1): 94-102.
- Barney, J. (1991). "Firm resources and sustained competitive advantage." Journal of Management**17**(1): 99-120.
- Baron, J. N. and D. M. Kreps (1999). "Strategic human resources: Frameworks for general managers." New York.
- Bernerth, J. (2004). "Expanding our understanding of the change message." Human Resource Development Review**3**(1): 36-52.
- Bernerth, J. B., A. A. Armenakis, et al. (2007). "Justice, cynicism, and commitment." The Journal of applied behavioral science**43**(3): 303-326.
- Betcherman, G., N. Leckie, et al. (1997). Developing skills in the Canadian workplace: The results of the Ekos Workplace Training Survey, Canadian Policy Research Networks Ottawa.
- Borman, W. C. and S. J. Motowidlo (1997). "Task performance and contextual performance: The meaning for personnel selection research." Human performance**10**(2): 99-109.
- Chaudhary, P. M., M. T. Eby, et al. (2000). "Activation of the NF-kappaB pathway by caspase 8 and its homologs." Oncogene**19**(39): 4451.
- Cheng, E. W. L. and D. C. K. Ho (2001). "A review of transfer of training studies in the past decade." Personnel Review**30**(1): 102-118.

Cunningham, C. E., C. A. Woodward, et al. (2002). "Readiness for organizational change: A longitudinal study of workplace, psychological and behavioural correlates." Journal of Occupational and Organizational Psychology**75**(4): 377-392.

Elias, S. M. (2009). "Employee Commitment in Times of Change: Assessing the Importance of Attitudes Toward Organizational Change†." Journal of Management**35**(1): 37-55.

Fernald Jr, L., G. Solomon, et al. (1999). "Small business training and development in the United States." Journal of Small Business and Enterprise Development**6**(4): 310-325.

Hanpachern, C., G. A. Morgan, et al. (1998). "An extension of the theory of margin: A framework for assessing readiness for change." Human Resource Development Quarterly**9**(4): 339-350.

Holt, D. T., A. A. Armenakis, et al. (2007). "Readiness for organizational change." The Journal of applied behavioral science**43**(2): 232-255.

Huang, T. C. (2001). "The relation of training practices and organizational performance in small and medium size enterprises." Education+ Training**43**(8/9): 437-444.

Ibrahim, A. and K. Soufani (2002). "Entrepreneurship education and training in Canada: a critical assessment." Education+ Training**44**(8/9): 421-430.

Kitching, J. (1998). "Investing in training and small firm growth and survival: an empirical analysis for the UK 1987-97." International Small Business Journal**17**(1): 110-111.

Long, L. K. and R. D. Smith (2004). "The role of Web-based distance learning in HR development." Journal of Management Development**23**(3): 270-284.

Madsen, S. R., D. Miller, et al. (2005). "Readiness for organizational change: Do organizational commitment and social relationships in the workplace make a difference?" Human Resource Development Quarterly**16**(2): 213-234.

Marshall, J. N., N. Alderman, et al. (1995). "The impact of management training and development on small and medium-sized enterprises." International Small Business Journal**13**(4): 73-90.

Menzies, T. and J. Paradi (1999). "Entrepreneurship education and engineering students' satisfaction career paths and prosperity to venture." Journal of Small Business Management**37**: 45-65.

Menzies, T. V. (2004). "Entrepreneurship and the Canadian Universities. Report of a National Study of Entrepreneurship Education: 2004." Entrepreneurship and the Canadian Universities: Report of a National Study of Entrepreneurship Education: 2004.

Michalisin, M. D., D. M. Kline, et al. (2000). "Intangible strategic assets and firm performance: a multi industry study of the resource based view." Journal of Business Strategies.

Rafferty, A. E. and R. H. Simons (2006). "An examination of the antecedents of readiness for fine-tuning and corporate transformation changes." Journal of Business and Psychology**20**(3): 325-350.

Salas, E. and J. A. Cannon-Bowers (2001). "The science of training: A decade of progress." Annual review of psychology**52**(1): 471-499.

Seng, J. L. and S. Lin (2004). "A mobility and knowledge-centric e-learning application design method." International Journal of Innovation and Learning**1**(3): 293-311.

Shah, N. (2011). "A study of the relationship between organisational justice and employee readiness for change." Journal of Enterprise Information Management**24**(3): 224-236.

Smith, A. and J. Whittaker (1998). "Management development in SMEs: what needs to be done?" Journal of Small Business and Enterprise Development**5**(2): 176-185.

Smith, I. (2005). "Achieving readiness for organisational change." Library Management**26**(6/7): 408-412.

Snyman, R. and C. J. Kruger (2004). "The interdependency between strategic management and strategic knowledge management." Journal of knowledge management**8**(1): 5-19.

Tannenbaum, S. I. and G. Yukl (1992). "Training and development in work organizations." Annual review of psychology**43**(1): 399-441.

Vicere, A. A. (2000). "New economy, new HR." Employment Relations Today**27**(3): 1-11.

Weber, P. S. and J. E. Weber (2001). "Changes in employee perceptions during organizational change." Leadership & Organization Development Journal**22**(6): 291-300.