

Research Article

To Investigate the Impact of Training, Employee Empowerment and Organizational Climate on Job Performance

¹Haleema Zia, ²Hafiz Muhammad Ishaq, ¹Salma Zahir and ²Faiz Ahmed

¹Faculty of Management Sciences, International Islamic University, Islamabad, Pakistan

²Department of Business Administration, Federal Urdu University of Arts, Science and Technology, Islamabad, Pakistan

Abstract: This study investigates the quantitative relationship of training, employee empowerment and organizational climate with job performance. Job performance can be measured in terms of efficiency and effectiveness of employees-how well they perform their tasks in order to achieve organizational goals. Empowerment is very important tool to enhance productivity of an organization by enhancing job performance of employees. In certain conditions it may result in reducing job performance, which depends on organizational climate and how employees and management perceive empowerment. The organizations which conduct regular training programs help to build the skills and competencies of employees. Ethical organizational climate plays a vital role in enhancing the performance by reducing employees' stress levels and enhanced satisfaction. Based on the literature review, a research model is developed positing that training, employee empowerment and organizational climate has a direct impact on job performance of employees. This model is empirically tested using data collected from National Institute of Health (NIH), Islamabad which is a public sector organization of Pakistan. The target population consisted of 794 employees of NIH and the sample size was calculated as 200 by using as per Krejcie and Morgan (1970) formula for sample determination and for data results various analysis techniques were used like correlation analysis and regression analysis. The results showed a significant relationship of training and organizational climate with job performance. According to the findings of the study, employee empowerment negatively influences the job performance.

Keywords: Employee empowerment, job performance, organizational climate, training

INTRODUCTION

The core reason and major concern of competition among organizations is the area of human expertise and human resources (Swanson and Holton, 2001). There is a need for organizations to increase the human resources in order to have a competitive frame. Drucker (1994), Steward (1994) and Quinn *et al.* (1996). To safeguard an organization it is important that its workforce is having knowledge and skills in order to perform on job tasks. The advancement of these skills help organizations adapt to the environmental changes (Jacobs and Washington, 2003). Job performance means that employees are competitive enough to perform their on-job tasks and duties (Babin and Boles, 1998). In order to enhance performance of employees and increase their professional attitudes, it is necessary for organizations to conduct regular training programs (Appelbaum and Armstrong, 2003). Changes in environment and increased trend of global competition give rise to employee empowerment and it has major importance role in management. Organizations with committed and skilled employees will better compete

with the changing environment and surroundings and will be able to adapt to changes (Torani *et al.*, 2008).

The study has been carried out in public sector of Pakistan. National Institute of Health (NIH)-a public sector organization, was selected. NIH is an autonomous organization which has made numerous developments in different fields including laboratory diagnosis, biological manufacturing, food and drug quality control, research & development and training facilities. The organization is involved in laboratory and field investigation of different infectious diseases. The emphasis of this organization is also on the human resource and capacity building of employees in order to benefit the organization as well as public (www.nih.org.pk).

The advancements in technology has now transformed the world into a global village, therefore, it is necessary for Pakistani organizations to have an edge over its competitors. Besides technological progression, a trained, empowered and forthright labor force will help Pakistani organizations rise among its contenders. This study will focus the relationship of three independent variables i.e., training, employee

empowerment and organizational climate with the dependent variable i.e., job performance in public sector of Pakistan. Public sector organizations should be lithe and familiar to the society needs. They ought to search for ways in order to enhance quality of their services by getting concerned with strategic human resource management (Pynes, 2004).

Purpose of the study: The purpose of this study is to add knowledge towards the key aspects of job performance i.e., training, employee empowerment and organizational climate. The main purpose of the study is as follows:

- To highlight the importance of training, employee empowerment and organizational climate for job performance.
- To determine the relation of job performance with training, employee empowerment and organizational climate.
- To determine different factors related to the training, employee empowerment, organizational climate and job performance.
- To suggest the implementation of training programs, employee empowerment and importance of ethical organizational climate to enhance job performance if it can be determined that the independent variables are positively correlated with the dependent variable.

Research objective: The objective of this study is to investigate the relationships of training, employee empowerment and organizational climate on the job performance of employees.

Significance: This study evaluates the impact of training, employee empowerment and organizational climate on job performance and its implications in the public sector of Pakistan. The study aims at making the top management realize the significance of training, employee empowerment and organizational climate as means of enhancing performance. The impact of training, employee empowerment and organizational climate has already been discussed in previous studies separately. This study will help researchers to see the combined impact of training, employee empowerment and organizational climate on the job performance of employees. It is expected that public sector organizations will take assistance of this research in order to enhance the performance of their employees on the job. This study will be helpful for team leaders and top management in building the effective workforce for their organization and structure effective training programs. This will help improving the effectiveness of workforce in order to lead to higher performance levels. As the performance of the employees enhances, it will help organizations perform better and will be able to contribute more to the economy.

LITERATURE REVIEW

Job performance: Job performance is known to be the significant performance outcome of work engagement. According to Babin and Boles (1998) job performance can be defined as the productivity level of an employee, as compared to his or her colleagues, on numerous job-related behaviors as well as their outcomes. The source of job performance variations is the proficiency of employees to perform their tasks and carry out different work activities and roles (Borman and Motowidlo, 1993; Motowidlo and Van Scotter, 1994).

Training: Training is a learning activity which helps the acquirement of specific skills and knowledge in order to perform certain tasks (Cole, 2002). According to De Cenzo and Robbins (1996) training is such learning experience which helps in changing an employee's skills, knowledge, expertise and attitudes on permanent basis. Training helps enhancing the knowledge and skills of employees which in turn results in job performance of employees as well as productivity of organizations (Cole, 2002). Providing opportunities of career development to employees via training programs is now considered to be the key aspect of outstanding human resource management practices (Yew, 2011). The effectiveness of a training program depends on whether the organization is clear about the need for training and on the commitment of organization towards addressing that need with a particular solution (Harris and Cannon, 1995). The credibility of the training program is enhanced by using amateur employees as trainers (Pollitt, 2007). To see the impact of training and change in the employees it is important that the training is relevant and it is targeted to find solution for the problem (Brown, 1992).

According to Krietner (1995) no matter how vigilantly applicants for a job are screened, usually a gap remains there between what employees are expected to do and what they really do. Therefore, there is a need for organizations to train their employees in such a way that their skills and expertise may be enhanced in order to compete with the changing situations and environment. A gap exists between the desired standards of an organization and actual work performance of their employees. To fill this gap training can be used as a tool and to reach to the standard that organizations want to achieve.

The organizations must design training courses after analyzing and keeping in view the present as well as potential needs of their employees so that the skills learning may be facilitated (Black and Lynch, 1996a). The important means of developing and advancing an employee's performance includes enhancing the professional comprehension of employees (Vandewalle and Cummings, 1997). The training programs provide the employees with such professional attitude that leads

to an increased level of productivity in the long run. After getting training, the employees of the organization feel confidence that they are capable to perform their duties in an efficient way (Appelbaum and Armstrong, 2003).

H1: There exists a strong positive correlation between training and job performance.

Employee empowerment: Randolph (2000) said that empowerment does not only mean to give decision power to the people but it means intelligent decision making power in order to help the organization to perform effectively. Empowerment helps employees to be helpful with knowledge and inner motivation (Kondalkar, 2009). Another definition of empowerment comprises of risk taking phenomena, change and growth. It also includes understanding the employees' needs and reproducing the empowered behavior for employees, building teams in order to encourage cooperative behavior of employees, promoting smart risk taking and trusting people to perform their duties (Quinn and Spreitzer, 1997). There is a necessity of keeping a developed workforce with strong managerial skills, which will lead to human resources empowerment as a new concept (Seyedjavadin *et al.*, 2009).

Employee empowerment has made non-managerial staff able to take autonomous decisions without seeking advice from their boss. The nature of these self-willed decisions depends on the degree of authority and power with which an organization invests in its employees. These autonomous decisions can be large or small depending on the level of empowerment given to employees. Training plays an important role in order to impart employee empowerment in a company and converting it into an empowerment model. Conversely, it can only mean giving such ability to employees so that they may make decisions on their own (Christensen, 2010).

The key logic of empowering employees is to enhance their capability so that they may take quick decisions and be responsible of their decisions. It also helps building employees' morale and improving their work life. Good communication among the individuals will help in improving the employee empowerment in an organization (Hidula, 1996). In this era of technological advancement global economy is moving swiftly which requires all organizations to rapidly discover and adapt the changes and employees play a vital role in such circumstances (Lashley, 1999).

The research studies on employee empowerment showed that a strong correlation exists between employee empowerment and employee performance (Ongori, 2007).

H2: Employee empowerment is positively correlated with job performance.

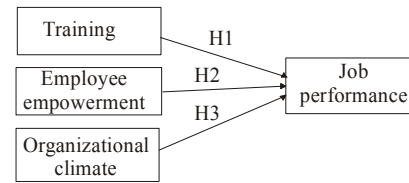


Fig. 1: Conceptual framework

Organizational climate: Climate generally refers to the direct shrewdness of the work environment (Hershberger *et al.*, 1994; James and Jones, 1976; Locke, 1976; Pritchard and Karasick, 1973; Rousseau, 1978; Schneider and Snyder, 1975). When the values of a firm are reliable and consistent with that of employees' values, employees become motivated to put more effort in their jobs. The job becomes more meaningful to employees when the organization provides them the prospect of doing something that is relevant to their values (Hackman and Oldham, 1980).

It is found that sales jobs become more enviable and advantageous when they are backed by an ethical environment (Schwepker and Good, 2007). In addition to this, it is observed that employees experience lower stress levels and higher job satisfaction if they work for such organizations that support ethical climate (Babin *et al.*, 2000; Schwepker, 2001). Therefore, ethical climate is related to an encouraging job environment which is conducive to job performance of an employee.

H3: Organizational climate is positively related with employee job performance (Fig. 1).

METHODOLOGY

Research design: The study is cross-sectional study because data was collected once across the population using sampling. The questionnaires were administered to 200 employees who were selected using sampling formula on the basis of convenience sampling technique (Ishaq *et al.*, 2013). The questionnaire was administered by representatives from the organization-one from each department. The list with the employees' names was used to ensure the representation from each department.

Statistical analysis: Statistical analysis of the data was conducted using version 16.0 of SPSS software. Reliability of the variables was found by computing the value of cronbach alpha and factor analysis. The hypotheses were tested using correlation and linear regression tests.

Measuring instrument: The questionnaire was adapted from for each variable. Job performance questionnaire was adapted from Wallace and

Chernatony (2009) questionnaire and was modified by using six items from the questionnaire. The five items of the training were adapted from Leslie Rae (2004) questionnaire and was modified according to the current study. Employee empowerment was measured by using Spreitzer (1996). All items of organizational climate were adapted from a questionnaire developed by Schneider and Bartlett (1968).

The overall questionnaire consisted of 26 items and used five point Likert scale to measure each item. Five options were given against each item ranging from strongly disagree to strongly agree (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree).

Target population: The target population for carrying out this study was the employees of National Institute of Health (NIH), Islamabad (Pakistan). This was because it was convenient to collect the data from this organization.

Sampling size and sampling procedure: Data was collected from public sector organization-National Institute of Health, Islamabad. As per (Krejcie and Morgan, 1970) formula for sample determination was used. The calculation for sample size was based on 5% sampling error and 95% confidence level (0.05 alpha levels). The formula used for calculating sample size in this study is as under:

$$\text{Sample Size} = \frac{X^2NP}{(1 - P)d^2} + \frac{X^2P}{(1 - P)}$$

Whereas X^2 is Table value of Chi square for degree of freedom (df) = 1 at the desired confidence level (0.10 = 2.71, 0.05 = 3.84, 0.01 = 6.64, 0.001 = 10.83):

N = Population size

P = Population proportion (assumed to be 0.50)

D = Degree of accuracy expressed in proportion (0.05)

The population of National Institute of Health consists of 794 employees. Therefore, the sample size was calculated as 200.

Demographic analysis: The survey was carried out in public sector organization. The respondents include 91.5% males and 8.5% females 20.5% of the respondents completed their matriculation, 22.5% completed their intermediate, 35% completed bachelor's degree, 20.5% completed masters and only 1.5% of the respondents were having PhD degree. The respondents were having diversified age ranging from 25 to 60 years. 23% of the respondents were having age ranging from 25-30 years, 24.5% came under the age range of 31-45 years, 26% from the age range of 46-50

years, 19.5% from the age range of 51-55 years and 7% came under the age range of 56-60 years.

RESULTS

The result was calculated using statistical methods and tools, which were chosen for analyses of data with summarized analysis of results. The results show reliability of the questionnaire to be more than 0.7.

The mean of training, employee empowerment, organizational climate and job performance are 3.21, 3.34, 3.07 and 3.05, respectively, which shows that most of the respondents have shown neutral response for these variables.

The scores of standard deviation for job performance is 0.73 which shows the deviation of the data from the mean of job performance. Similarly, the scores of standard deviation of training, employee empowerment and organizational climate are 0.75, 0.47 and 0.55, respectively, which shows the deviation of data from their means.

Table 1 indicates the correlation between variables of this study. The correlation between training and job performance is (0.258; $p < 0.01$). There is positive and significant relation between training and job performance which accepts the hypothesis that "there exists a strong positive correlation between training and job performance".

The result of correlation analysis between employee empowerment and job performance shows the value as (0.000; $p < 0.01$). This shows a negative and insignificant relationship between employee empowerment and job performance, which rejects the hypothesis that "employee empowerment is positively correlated with job performance".

The correlation between organizational climate and job performance is (0.239; $p < 0.05$). This shows a positive as well as significant relationship between the two variables which accepts the hypothesis that "organizational climate is positively related with employee job performance".

This study indicates three demographic variables i.e., age, gender and qualification, which helps to classify the attributes of our population or sample. These demographic variables may affect our dependent variable. To identify the impact of demographic variables on dependent variable i.e., job performance, one way ANOVA test was run. The results show that the demographic variables exhibit no change in the dependent variable.

Table 1: Correlation analysis

	Mean	S.D.	1	2	3
Training	3.21	0.75			
Employee empowerment	3.34	0.47	0.023		
Organizational climate	3.07	0.55	0.165*	0.069	
Job performance	3.05	0.73	0.258**	0.000	0.239**

*: $p < 0.01$, **: $p < 0.05$

Table 2: Results of regression analysis for all independent variables and dependent variable job performance

Predictor's	R^2	ΔR^2
Training	0.260***	0.070
Employee empowerment	0.000	0.000
Organizational climate	0.240**	0.060**

*: $p < 0.01$, **: $p < 0.05$

The regression analysis Table 2 shows the dependent variable and independent variable. The values of R^2 and R^2 change have been shown in the table to predict possible relationship of independent variables with the dependent variable.

The value of Beta (regression coefficient) shows the unit change in the dependent variable due to per unit change in the independent variables. The results shows that there is significant relationship between training and job performance ($\beta = 0.26$, $R^2 = 0.07$), which proves the first hypothesis i.e., there exists a strong positive correlation between training and job performance. The value of beta for employee empowerment is 0.000 ($\beta = 0.000$, $R^2 = 0.000$) which rejects the second hypothesis i.e., employee empowerment is positively correlated with job performance. There is significant relationship between organizational climate and job performance ($\beta = 0.24$, $R^2 = 0.06$) which accepts the third hypothesis i.e., organizational climate is positively related with employee job performance.

DISCUSSION AND CONCLUSION

Results obtained from the collected data shows that training is positively correlated with job performance. It supports the study of Appelbaum and Armstrong (2003), which says that training programs enhance the positive attitude and professionalism of employees which leads to high productivity of the organization. After being trained, employees feel confident and perform their duties in a more efficient way which in turn impacts the organizational climate (Appelbaum and Armstrong, 2003).

Employee empowerment has a negative relation with job performance. The second hypothesis i.e., "employee empowerment is positively correlated with job performance" is, therefore, rejected. The negative relationship between employee empowerment and job performance is contrary to the findings of Ongori (2007). This may be because of the conflicting feeling of employees of NIH about their empowerment. The employees, when empowered and given independent tasks, may feel more relaxed which results in negative performance outcomes. This may affect their performance in a negative way. Secondly, most of the respondents were not highly educated; therefore, they may feel more stressed after being empowered because empowerment demands them to prove their capabilities.

According to the findings of the study, organizational climate has a positive influence on job performance of employees, as Schwepker and Good (2007) said that jobs become more desirable and

valuable if they are backed by ethical organizational climate. Employees face lower levels of stress and increased job satisfaction because of ethical organizational climate, which in turn, results in enhanced job performance (Babin *et al.*, 2000; Schwepker, 2001).

Limitations of the study: The study is carried out in public sector organization therefore; generalization to other sectors i.e., private sector, industrial sector, telecommunication, multinational firms-is not possible. This study is also limited to the biasness of employees and that employees may have filled the questionnaire in order to get it done. Another limitation to this study is that the employees of this organization were not highly qualified; therefore, their level of understanding of the questionnaire may be less.

RECOMMENDATIONS

A critical review of the situation should have involved all or significant number of public sector organizations which is one organization from each region. However, the scope of such study will be beyond the capacity and resources of the researcher. In future, the researchers may also conduct a comparative study of public and private sector organizations to study the impact of same independent variables on job performance.

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