

EFFECT OF DEVELOPMENT ON ORGANIZATIONAL PERFORMANCE AMONG THE INFORMATION TECHNOLOGY EMPLOYEES

T. HARIHARAN

Ph.D. Research Scholar, Department of Business Administration, Annamalai University.

Dr. M. DEVANATHAN

Assistant Professor, Department of Business Administration, Annamalai University.

Abstract

The construct of employee development is defined as the learning activity which is directed in the path of acquisition of the specific skills and knowledge needed to perform a specific task or occupation. The aim of employee development is to improve the efficiency of the employees. It is an organized and planned modification in the behavior of employees by way of the programs, activities and events of learning that leads to the accomplishment of abilities, competencies, skills and knowledge of employees. The purpose of carrying out this study is to analyze and examine the effect of employee development over the organizational performance. The study has been done among IT Employees. The respondents have been selected through Simple Random Sampling. The size of the sample is 100 and the instrument of data collection is questionnaire. The data so collected has been analyzed with the help of regression analysis and the findings show that development and organizational performance variables are positively related with each other.

Keywords: Development, Organizational Performance

INTRODUCTION

One of the major assets of any business are its employees. The employees hold the responsibility for the development or failure of the business. The loyalty, commitment and performance of the employees have got a major role to play to maintain the reputation and status of the organization and they also help in increasing the profit and image of the organization in the market. It becomes the important responsibility of the management of an organization to give due importance to the performance of the employees and also the system of training & development for their appraisal. Several studies had been done to examine the aforesaid constructs. However, the organizations still confront problems and challenges in this context.

Employees are considered to be the main aspect within the organization. The performance of the employees has got a significant effect over the success or the failure of a company. Though there exist several factors which become responsible to make a company competitive, efficient employee are the essential factors for an organization to be highly competitive. The organizations require employee development to make the employees highly capable, efficient and effective in their daily responsibilities of work, which in turn, is essential for the successful

survival of the organization. Employee development is also important for an organization to meet the challenges of the present era in a successful manner.

In recent times, the organizations have changed their views regarding employee development, in a dramatic way. The construct of employee development has been started to be recognized as the one which makes a huge contribution over the profitability of the organization. It is also essential and critical for having a successful survival of the organization in the current world filled with competition. While going in for a sustainable competitive edge, the organizations have started to recognize that only the knowledge of the individuals within the organization lasts for a long time and it has to be experienced as the performance and processed as the skills.

Organizational Performance

The organizational performance means the attitudes which had been measured or assessed as to their input towards the goals of the organization (Cook & Hunsaker, 2001). This attitude refers to the skills and the approaches of the management which is useful for professional and successful usage of the resources along with proficiency. But, such type of proficiency is improved through the programs of training & development.

Relationship between development of employees and organizational performance

It had been evident through various literatures that the employee development is related positively with the organizational performance. Usually, the employee development is associated with the organizational performance by way of several systems of human resource development. In other words, the firms that offer a wide range of learning programs to their employees for helping them in better performance, in turn, helps the organization in better performance. With this point, the programs of employee development are related with the organizational performance.

STATEMENT OF PROBLEM

An organization, as an entity is not capable to survive without the major elements, the employees. They prove to be important for the progress of the organization. The performance also gets enhanced for the organization only through the better performance of the employees. The major problem which continues still is that some firm still fail to recognize the importance of training for the employees, which is essential for the progress in the performance of both the employees as well as of the organization, and fail to hold a sustainable survival in the marketplace.

NEED FOR THE STUDY

The present study has identified the significance of training programs for the employees through a wide array of reviews of literature. The findings will be beneficial for the organization which have not yet identified the importance of training and have not planned for such programs within their entity. It will be helpful for the HR managers to frame policies too, in this regard.

OBJECTIVES

The purpose with which the study has been done is to identify the influence of development over the organizational performance.

REVIEW OF LITERATURE

Shilpa S H and Dr Rekha N P (2020) examined the effect of training & development over the organizational performance. The study was done in the context of IT organizations. The better performance of the employees is considered to be the major factor for the growth of the organization. The basic aspect of an organization is its employees. In recent times, the organizations make huge investments for preparing and developing their employees for enhancing their effectiveness and productivity. The present study has been done by way of an interview carried out among the employees of the IT sector for examining their performance. The findings of the interviews stated that the employees of the IT sector were satisfied with the programs of training & development offered to them. The authors had also proposed that financial benefits, work security and employee satisfaction were the major elements in the growth of the employee performance. If the management of the organization pays attention to the improvement of the employees, it will definitely enhance the commitment and interest if the employees in their work.

Muiruri, A. N.et al., (2019) examined the impacts of employee development over the organizational performance. The study was done by the authors by considering the Rift Valley Machinery Services Limited, as a case study. The organizations of the present era exist and run in a business environment which is highly dynamic and which is experienced by development of globalization as well as technology. Such type of quick changes in the business environment slows down the performance of some entities to an extent that they face the situation of closing their business even. Such a situation requires proper measures to be taken by the firms for enabling them in managing the changes in an effective manner. In spite of the establishment of strategies to confront the changes, few organizations still perform at a low level in the context of market share and profitability. This necessitates the requirement of assessing the impacts of training & development over the organizational performance of the Rift Valley Machinery Services Limited. The respondents of the study were the employees of this organization. The sample population comprised of 180 employees. With the technique of random sampling 54 respondents were selected.

RESEARCH METHODOLOGY

The study has been done among the employees of Information Technology who have been selected as respondents through simple random sampling method of sampling. The size of the sample population is 100 and the tool for data collection is a questionnaire. The data collected has been put into regression for analysis.

ANALYSIS AND INTERPRETATION

Model Summary

R	R Square	Adjusted R Square	F	Sig.
0.743(a)	0.551	0.522	19.049	0.000(a)

a Predictors: (Constant), Development

Coefficients (a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.066	.261		4.090	.000
Development programs have helped me with conceptual clarity, job knowledge and familiarization with work practices.	.086	.043	.171	1.994	.049
Development activities have helped me in building interpersonal relationships in the workplace.	.138	.052	.275	2.643	.010
Development supports potential development of the employee.	-.036	.048	-.085	-.756	.451
Development programs of the organization support handle higher responsibility	.234	.070	.334	3.348	.001
Development programs of the organization have helped me in increasing my operational accuracy and reducing complaints & wastages.	.188	.053	.293	3.545	.001
I am able to grow through organizational learning programs.	.085	.057	.116	1.495	.138

a Dependent Variable: Organizational Performance

Interpretation

In order to identify which development factor influences mostly towards the Organizational Performance, a multiple regression analysis was performed and the results are shown in the above table. The coefficient of Regression determination (R^2) is 0.551 which means that 55.1 percent of the variation on Organizational Performance is determined by the independent variables. To check the significance of R^2 , ANOVA was performed and the result shows a significant outcome ($F = 19.049$; $p < 0.000$) which means that the development significantly influences Organizational Performance.

Findings

The findings of regression to explore the relationship between development and organizational performance are shows that both the variables are positively related with each other.

CONCLUSION

It was concluded through the study that the there is an effect of employee development over the change management, which ultimately affects the performance of the organization. It has also been found from the study that several respondents of the study approved to the fact that the employee development imposes variety of impacts over the organizational performance.

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