

On the Job Training Significantly Contribute to the Job Performance: TPM Technopark Sdn Bhd

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Abstract

The characteristics of successful organization are continuous improvement job orientation, customer focus, team relationship, flat and flexible organization structures, empowerment, and vision- and value-driven leadership. On the job-training is a fundamental requirement for the sustained existence and is a precondition for continuous improvement and organizational growth. The objective of this research is to measure the impact of on the job training towards the job performance of private organization. Fundamentally, this research project focuses on the relationship of the most three job training factors that impact on job performance including employee empowerment, team relationship, and transformational leadership. The respondents selected were 80 employees working in TPM Technopark Sdn Bhd, 45% of respondent were male and 55% of respondent were female. Respondents were also grouped under 7 departments which are marketing and corporate department, architect department, human resource and administration department, finance department, project management department, quantity survey or contract department, and town planning department. Procedure probability Simple Random Sampling (SRS) technique is used in this research project in which each element in the population has a known and equal probability of selection. Three independent variables were identified as the factors and proved to have significant relationship towards the impact on private organizational employees with strong or very strong coefficient correlation statistically significant.

Keyword(s): Organizational Learning, On-The-Job Training, Tea Relationship, Continuous Learning, Continuous Improvement

Introduction

Nowadays, world moving parallel with advancement technology and human living with dynamic and flexible environment who encourage globalization of competition and confront

challenge that seen as an opportunity for sustainable competitive advantage. Dynamic organizations are organization that committed to a rapid response to a dynamic external environment in order to change strategy, technology, internal and external relationship fast and effectively. Employee are main component and important in business organization, up and down company performance is depending on employee credibility and commitment in accomplish their task. Managing director should require manager on every organizational level together make transformation on ways of management and ensuring achieve goal as meeting state objective. Those business organizations are still in traditional organization, impossible for them to having or to be a competency business organization. Fundamentally, the purpose of this research is to study the impact of continuous on-the-job training in enhancing knowledge, skills and abilities among employees in private organization.

BACKGROUND OF STUDY

According to Jha and Joshi (2008), the greatest challenge face by organizations is how to manage their intellectual capital. In addition to that, it is very important for higher and lower level management to build a good relationship and create excellence productivity of work as well as increase the skills and expertise of the employees. Perhaps, the traditional organization structure gets saturated or overloaded impact from improper managed systems and management. Consequently, the important information that the lower level need apart from the discussion of top management is not effectively reach to them. Therefore, it is imperatively for organizations are striving towards leveraging their knowledge and continuously trying to enhance their capacity to absorb new knowledge to innovate (Chawla and Joshi, 2011).

In other words, it is important for the organization to create the environment that will encourage individuals to learn, which in turn may lead to organizational learning as for employee to enhance the soft skill and technical skill in order to prepare themselves to become versatile and critical thinker employee. As the company move forward as responds with environmental changes, it required various kits that necessarily to adopt those particular changes such as the structure of organization, employee behaviour, intellectual capital, and human development. Besides that, by increasing capabilities of employees, it gives a lot opportunities and chances for the business organization to take one step ahead and be the first mover company. Employees who are willing to learn and curious in discover many new things are able to survive in competitive business changes plus upgrading themselves to be versatile employee as well as smart in grip workplace problem, in order to become efficiency employees that company ever had.

TPM TECHNOPARK SDN BHD (TTSB), MALAYSIA

TPM Technopark Sdn Bhd (TTSB) is Johor Corporation's wholly owned subsidiary company with the core business of project management in various commercial and industrial developments and also a marketing agent and project developer for industrial estates owned by Johor Corporation. As a marketing agent for Johor Corporation, TPM Technopark Sdn Bhd is constantly involved in trade missions to lure more investment from abroad and to introduce Johor as the preferred location for investment. Various marketing strategies and techniques were employed, both through the direct approach to woo potential investors, as well as indirectly through participating in exhibitions, trade dialogues sessions and investment

missions, advertisements and seminars including those organized by MIDA, MITI and Johor State Government.

Besides that, as the company provides professional services on Total Project Management for all projects inclusive of design and construction of buildings, schools, hospitals, port and stadium as well as specializing in development of Industrial Estates. As a Project Manager, the company will provide services from preliminary stage, designing, preparation of contract, construction and ensure that the projects are delivered on time. The company's also provides services as a marketing Agent for industrial Estates.

Johor's strategic advantage in being the only location in Malaysia accessible to the best of both Malaysia and Singapore combined were fully leveraged upon. While maintaining its core business, TTSB plans to embark on diversifying its income structure. Focus will be given to projects that provide sustainable income sources to the company. In line with the diversification efforts, TTSB will exercise tight financial control on the company's outflow. Employees will be exposed with additional knowledge and multi skill capability in order to provide better cross functional services.

PROBLEM STATEMENT

Currently, there are employees who have worked for more than 20 years and not much exposed with advancement technology and also employees skill required to adapt inevitable industrial revolution. Consequently, the organizations become reluctant and traditional in their approach. Thus, with advent of globalization, the world which was a simpler place to live and work in has become more complicated.

Some of employers are lack of job-training in creating the culture of optimistic attitudes towards work, self-controlled, result-oriented, diligent and responsibility towards the performing daily work and able to exchange ideas and share experiences with other professionals, and increase networking respectively.

RESEARCH OBJECTIVE

- i. To identify the relationship between on-the-job training and the impact on private organizational employees
- ii. To identify the most on-the-job-training that gives to the impact on private organizational employees.
- iii. To investigate the difference impact of organizational learning towards private organizational employees

LITERATURE REVIEW

Organizational learning is a fundamental requirement for the sustained existence and is a precondition for continuous improvement and organizational growth. Learning organization practices in public and private sectors should apply not for lower management only but also it need getting involve from top management indeed as to retain the customer satisfaction and meet the performance expectation. Thus, organizational learning is an important component for effectiveness and it should not only rest with the top management but should also be incorporated at each level of organization (Hayes, 2002). According to Macklin et al (2006), Mitchell (1973), Vroom and Jago (1988), Cole et al (1993), Shockley *et al.* (2000) and

Shamir *et al* (1993) mentioned that three factors in organizational learning are significantly impact to the performance of employees in private sectors, there are learning through; employees’ empowerment, team relationships and transformational knowledge.

In general, empowerment will be defined as the participation of employees in the decision making process (Mitchell, 1973; Vroom and Jago, 1988; Cole *et al.*, 1993), pleasing the members of the organization to think strategically and to be personally liable for the quality of their tasks (Bowen and Lawler, 1995), animating, favouring and rewarding employees for behaving always in a way they ponder more suitable to satisfy customers (Bowen and Lawler, 1992) and to improve the organization’s operational (Hermel, 1990). According to Geroy *et al* (1998), empowerment become initial to the employers in supervising their employees to become independent, self-esteem, locus of control, and critical thinking in making a decision and solving the problem. Meanwhile, work teams also essential in increasingly the organizational structures serve to improve quality, increase efficiency and ensure organizational sustainability. Therefore, employees should learn the concept of teamwork as well as to impact their performance to the organization. Lastly, Shamir *et al.* (1993) was mentioned that the transformational leadership become important to employees to learn as well as to develop their maturity in implementing, supervising and managing in organization.

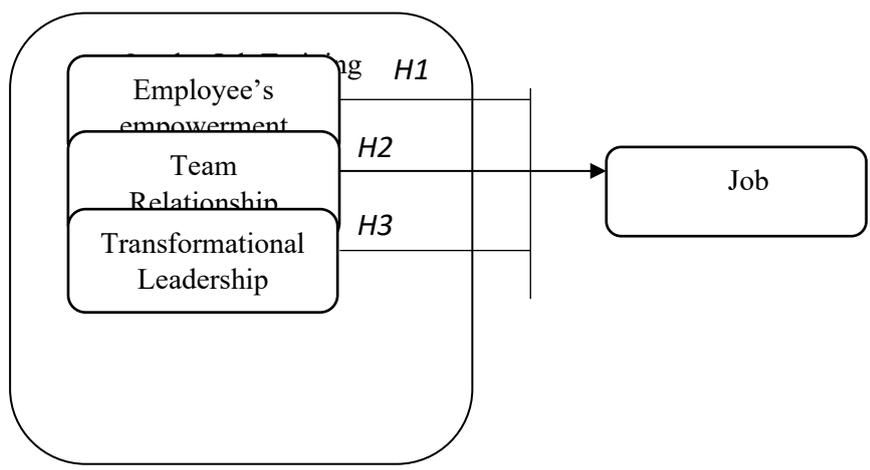
HYPOTHESIS AND THERETICAL FRAMEWORK

H₁: There is a relationship between an employee empowerment and job performance among employees.

H₂: There is a relationship between team relationships and job performance among employees.

H₃: There is a relationship between transformational leadership and job performance among employees.

Figure 3.1: Schematic diagram of theoretical framework



METHODOLOGY

Descriptive research design also apply in this research as it is marked by a clear statement of the problem, specific hypothesis, and detailed information needs (Malhotra, 2010).

i. *Population*

The population size for this research consists of employees at TPM Technopark Sdn Bhd. The population are 100 people in marketing and corporate department, architect department, human resource and administration department, finance department, project management department, quantity surveyor contract department, and town planning department.

ii. Sample Size and Technique

The sample frame will be highlighting on employees closely linked on marketing and corporate department, architect department, human resource and administration department, finance department, project management department, quantity surveyor contract department, and town planning department. Since the population is 100 peoples, the sample size will be 80 peoples and 80 questionnaires form will distribute. These questionnaires will distribute among employees who deal directly with the chosen department by researcher. Procedure probability Simple Random Sampling (SRS) is use by distribute the questionnaire to selected respondents who are employees from all department level. Samples were selected because they represent a group of organizational employees who have the experience getting involved in on-the-job training.

Table 1: The number of Population, Sampling and Returned

Department	Number of Employees (Population)	Percentage (%)	Number of Employees (Sampling)	Returned
Marketing and Corporate	19	19	15	15
Finance	12	12	10	10
Project management	15	15	12	12
Quantity surveyor contract	11	11	9	9
Town planning	6	6	5	5
Architect	11	11	9	9
Human Resource/Admin	26	26	20	20
Total	100	100	80	80

DATA ANALYSIS

i. Reliability Test

Reliability refers to the extent to which a variable or a set of variables is consistent in what it is intended to measure (Malhorta & Mukherjee, 2004). The reliability for each variable was examined by computing its Cronbach's alpha value. Sekaran and Bougie (2010) suggested that the minimum acceptable reliability is at 0.60. As shown in Table 2, the Cronbach's alpha value

for Employee Empowerment, Team Relationship, Transformational Leadership and Job Performance are 0.808, 0.859, 0.885 and 0.883 respectively, and have met the minimum accepted reliability as suggested by Sekaran and Bougie (2010). The reliability analyses conducted on the items have shown that all variables were reliable and internally consistent.

Table 2: Reliability Analysis

Variables	Cronbach' Alpha	Standardized Items	No. of Items
Employee Empowerment	.808	.817	10
Team Relationship	.859	.851	10
Transformational Leadership	.885	.891	10
Job Performance	.883	.882	10

ii. Descriptive Analysis

Table 3 describes the personal profile of the respondent in the study. Majority of the respondents were female. In terms of marital status, 65% of respondents were married. In terms of age, more than 52% of the respondents were age more than 36 years old. In terms of academic qualification, majority of them (41.3%) hold a bachelor degree. More than 50% of the respondents were Executive while other 48.8% or 39 respondents were Non-executives. In terms of employee according to the department, from the study that have been conducted, 18.8% or 15 respondents from Marketing and Corporate Department, Finance Department by 12.5% which represent 10 respondents, Project Management Department were 15% which represent 12 respondents and Quantity Surveyor Contract Department are 11.3% which represent 9 respondents, Town Planning Department by 6.3% which represent 5 respondents, Architect Department were 11.3% which represent 9 respondents, and Human Resource/Admin Department are 25% which represent 20 respondents.

Table 3: Descriptive Analysis (Demographic Profile)

Gender				Gender			
	Male	Female	Total		Male	Female	Total
Frequency	36	44	80	Frequency	36	44	80
Percent	45.0	55.0	100.0	Percent	45.0	55.0	100.0
Valid Percent	45.0	55.0	100.0	Valid Percent	45.0	55.0	100.0
Cumulative Percent	45.0	100.0		Cumulative Percent	45.0	100.0	

Educational level

	Certificate	Diploma/STPM	Degree	Master	Total
Frequency	30	13	33	4	80
Percent	37.5	16.3	41.3	5.0	100.0
Valid Percent	37.5	16.3	41.3	5.0	100.0
Cumulative Percent	37.5	53.8	95.0	100.0	

Department

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Marketing and Corporate Finance	15	18.8	18.8	18.8
Project management	10	12.5	12.5	31.3
Quantity surveyor	12	15.0	15.0	46.3
contract	9	11.3	11.3	57.5
Town planning	5	6.3	6.3	63.8
Architect	9	11.3	11.3	75.0
Human Resource/Admin	20	25.0	25.0	100.0
Total	80	100.0	100.0	

Monthly income

	Below RM 1500	RM 1500- RM 2500	RM 2600- RM 3500	RM 3600- RM 4500	RM 4500 and above	Total
Frequency	11	22	17	14	16	80
Percent	13.8	27.5	21.3	17.5	20.0	100.0
Valid Percent	13.8	27.5	21.3	17.5	20.0	100.0
Cumulative Percent	13.8	41.3	62.5	80.0	100.0	

iii. Inferential Analysis

Regression analysis was employed to test the influence of three important variables of interest, namely; employee empowerment, team relationship, and transformational leadership. The r-square statistic in the model summary is 0.905 or 90.5%. This implies that 90.5% of the variation or changes in the dependent variable which is private organizational

sector can be attributed to the three independent variables; however the remaining 9.5% is not known and need further investigation.

Table 4: R Square

Model Summary	
	Model 1
R	.951 ^a
R Square	.905
Adjusted R Square	.901
Std. Error of the Estimate	.14029

a. Predictors: (Constant), Mean of Transformational Leadership, Mean of Employee Empowerment, Mean of Team Relationship

b. Dependent Variable: Mean of Private Organizational Sector

The significance level produced by the ANOVA table showed that p value is less than 0.05 implying that the model is valid and the result of the relationship is not by chance. Therefore researcher rejects the null hypothesis.

Table 4: ANOVA

ANOVA^b			
	Model 1		
	Regression	Residual	Total
Sum of Squares	14.273	1.496	15.769
Df	3	76	79
Mean Square	4.758	.020	
F	241.719		
Sig.	.000 ^a		

a. Predictors: (Constant), Mean of Transformational Leadership, Mean of Employee Empowerment, Mean of Team Relationship

b. Dependent Variable: Mean of Private Organizational Sector

Finally, researcher find out that the independent variable of team relationship does not provide enough evidence to influence the dependent (Team relationship: Beta=0.082, $p=0.298$). However, only two independent variables remaining significant (Employee empowerment: Beta=0.196, $p<0.05$ and transformational leadership: Beta=0.743, $p<0.05$) and truly influence to the job performance when all three variables were tested simultaneously.

Table 5: Multiple Regressions

Coefficients^a

		Model 1			
		(Constant)	Mean of Employee Empowerme nt	Mean of Team Relationship	Mean of Transformati onal Leadership
Unstandardized	B	-.079	.216	.085	.717
Coefficients	Std. Error	.214	.056	.081	.066
Standardized	Beta		.196	.082	.743
Coefficients					
T		-.371	3.854	1.048	10.788
Sig.		.712	.000	.298	.000

CONCLUSION AND RECOMMANDATIONS

This study has explained the central importance of on-the-job-training in enhance Knowledge, Skill, and Abilities of private organizational employees. Learning at the organization level occurs through shared insight, knowledge, and mental models and builds on the past knowledge and experience of organization members (Stata, 1989). Organizations are continuously trying to enhance their capacity to absorb new knowledge to innovate. The purpose of the current study was to determine whether the three independent variables which are individual empowerment, team relationship, and transformational leadership are one of the factor that contribute the positive impact towards KSAs of private organizational employees. The study of this research covers 39 years commencing from the year 1973 until 2012.

Multiple Linear Regression analysis has been conducted in the study in order to get the results. The result of the study has confirmed that it has achieved the research objectives. In Multiple Linear Regression analysis, it shows that, team relationship does not provide enough evidence to influence the dependent variables. Only two remaining independent variables; employee empowerment and transformational leadership have truly influence the impact of private organizational sector of employees. Hence, it found that employees significantly differ in their impact on team relationship. Therefore, researcher can conclude that all specified determinants of independent variables (organizational learning factors) and the dependent variable of private organizational sector of employees have very strong associations.

As well as significance of this result, the finding of this study recommends top management is certified authority subordinates and suppose them train and escort employee's task to meet the standard of quality. Somehow, employees give portion of their task to other workers to complete it. It is unfair and illegal, they should finish it by their own who personally liable for the quality of their task. Besides, the head of department should not totally trust of their subordinates while doing job as because they might casually for work. Instead of that, working as a team will get most beneficial to organization to boost up their performance and competitive advantage. Teamwork will close the gap of different profession among the workers as they worked together closely linked with each other. Besides that, more ideas will

gain when work together and avoid misunderstanding among workers. Managers and subordinates in each department should gather as teamwork, not only able to complete task before date line but also maintain co-operative behaviours on each workers.

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