

# Impact of Training and Development on Employee Retention at Spareage Sealing Solutions

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## **ABSTRACT –**

**Human resource is an important asset in any organization. Therefore, organizations need not only attract experienced and talented employees to the organization, but they also need to keep them for a long time. This paper reviews the findings and the results of researchers to find and explore the relationship between employee training and employee retention. Training is an important factor to enhance organizational performance and is considered the main strategy to influence employee retention. However, there is not sufficient investment in training practices because some managers see training as an expensive risk. The study focuses on the impact of Training and development on employee retention, a field study was performed using a questionnaire method to collect data from employees working in the manufacturing industry – Spareage Sealing Solutions. The findings show's that training and development has a positive relationship with employee retention. This means that a positive relationship exists between training & development and employee's retention.**

**KEYWORDS:** Employee Retention, Training and Development, Employee Motivation

## **INTRODUCTION –**

In global context, employee retention is considered immensely important. Most of the companies are judged on the basis of their turnover rate. The rate of turnover affects the performance of an organization. Low turnover ensures that organization is retaining their competent employees by providing them superior environment which increases the performance of individual employee.

In a highly developed environment of business nowadays. There has been an obligation to give priority to the importance of human resources inside the organization. This helps in improving productivity and to have the maximum utilization of resources, therefore, companies regularly keep effective employees from searching for employment elsewhere, holding those who are efficient not become easy nowadays (Jaseel, 2019). Employees need Training for developing the skills and knowledge to fit job requirements (Koteswari et al., 2020). There is a relationship between training and employee retention, therefore, in this paper, the impact of training on employee retention is studied as it is one of the most important retention strategies.

Training is one of the most important factors in retaining employees in these organizations. By knowing the factors of retention or the effect of training on retention this study can help those organizations to retain their employees which has high turnover rate.

Employee retention strategies are one of the most important factors needed to maintain experienced employees, therefore knowledge and expertise do not migrate from the organization and reduce the cost of recruitment and training new employees. The most important problem consequences from uncontrolled employee retention inside the organization are the high turnover rates and losses as employees move to competitors with their experience and skills gained in the organization (Watson et al., 2019).

Previous researches show that employers use different techniques for the retention of employees such as training, work environment, compensation, etc. Labour shortage is a major concern for an organization, and an organization's main aim is to retain the employees, especially talented employees (Moncarz et al., 2008; Deckop et al., 2006; Huang et al., 2003; Glen, 2006). Training is an important part of various HRM practices, which are used for retention and development of employees due to these different kinds of training given to employees, like on-the-job training, vocational training, general and specific training, etc. (Hocquet, 1999; Ranger, 2002).

## **REVIEW OF LITERATURE –**

- Iqra University Islamabad & etal (2011) - This empirical study discusses the unique idea for the retention of employees. Here, it is seen that for the retention of employee, the work environment and compensation are useful tools. In this study, we see that these variables are positively related to each other, and it means that when training is provided to the employees, it has positive effect on employee compensation packages. In the end, the employee is more satisfied with his current employment and this will be very supportive in retaining employees for a longer period of time.
- Waleed Hassan, etal 2013 - Our study is related to the concept of employee retention which is heavily dependent on job training. Job training is one of the most important factors in retaining employees in the organizations. According to our study and research, we conclude with the responses gained by distributing questionnaires among current employees in the telecommunication sector. It is clear that most professionals, both men and women want to have job training. In this study, we discovered that job training is necessary for every employee.
- Mengjun Chen (2014) - The purpose of this report is to examine the relationship between training and employee retention. Training is beneficial to the organization performance and specifically it is a core organizational strategy

influencing the employee retention and human capital growth. training makes employees feel the organizational supports and trust the employer. Hence, training is positively related to trust in management and reduces employee turnover.

- Maqsood Haider, etal (2015) - This study guides the management to devise the effective strategies to improve the employee retention. The results indicate that Telecom sector is very capable and successful in employee retention. Training and development is a process of developing expertise in employees for the purpose of better performance. Training and development is important in improving the effectiveness and in retaining the key employees.
- Maryam Tijjani Abba (2018) - he study examined the relationship between training Tand development and employee retention in some selected banks within Bauchi metropolis. Banks in Nigeria are faced with myriad of problems related to training and development and employee retention. From the findings of this study, it was concluded that training and development which has 20% shows a significant effect on employee retention
- Jen Ling Gan (2019) - This review paper could help to provide useful insight to organizations regarding the influence of training on employees' retention. The review revealed the importance of training in affecting employees' retention, therefore organizations or human resource practitioners should put attention to this matter.
- Muhammad Aleem, etal (2020) - The finding of the study clearly indicates that training & developments have significant affiliation and effect on employee retention and commitment. The finding of the study clearly indicates that training & developments have significant affiliation and effect on employee retention and commitment.
- Mohamed Yusuf Damei (2020) - The researcher recommends that employee effectiveness and commitment, management of the institutions should formulate strategies to establish employee training policy in order to improve their employee performance and employee retention. The study confirmed that there is a positive relationship between job training has a positive impact on employee retention in some selected telecommunication companies in Mogadishu, Somalia.
- Ume Amen, etal (2021) - Results and findings of this research showed that training and development have significant impact on job satisfaction and employee retention. Additionally the implications, limitations and recommendations for future research were discussed. The purpose of this research is to identify and examine the impact of training and development on job satisfaction and employee retention in education institutions of Pakistan.
- Ashraf Elsafty & Mahmoud Oraby (2022) - The study focuses on the impact of Training and development, job performance, job satisfaction, and effective communication on employee retention, a field study was performed using a questionnaire method to collect data from employees working in the private sector in Egypt. The study confirmed that training and development is the most important factor in employee retention, then job satisfaction.
- Daniel Dietz, etal. (2022) - This paper therefore implies that employers can reap a double dividend of higher productivity and increased retention even from general, visible, and credible training. The objective of this paper is to determine the retention effect of training. Based on large linked employer–employee panel data with detailed information on the employees' employment and training history, we find that training has a significantly positive retention effect.

#### **OBJECTIVES OF STUDY:**

1. To identify the factors resulting in employee turnover / retention in the organisation after training.
2. To explore the gap between employee`s expectations and organization`s retention efforts by providing training.
3. To analyse and bring forth the benefits of training for retention to employees.

#### **RESEARCH DESIGN & METHODOLOGY:**

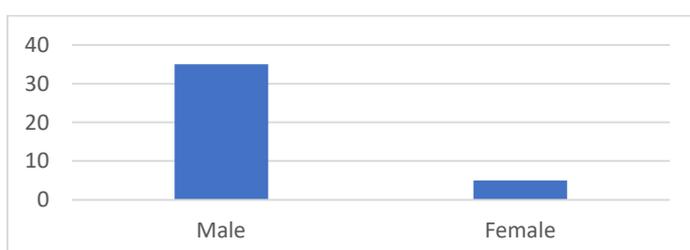
The research study is empirical as it studies the opinions and perceptions of the employees of an organization. For the confidential reasons the name of the organisation has not been disclosed. The above secondary research through literature review gives the researcher a scope to find out factors that build the perception of employees on retention after providing training to them.

Survey research methodology was adopted and the data was collected by both primary and secondary method. The questionnaire was prepared by exploring secondary data. The population of the study consists of employees at the middle level of hierarchical structure of the firm. The total sample size consists of 40 respondents. The sample selection technique adopted for getting the 40 questionnaires filled in Simple Probability Sampling.

#### **Data Interpretation and Analysis: -**

##### **Q.1 ) Gender wise distribution of sample –**

Male	35
Female	05

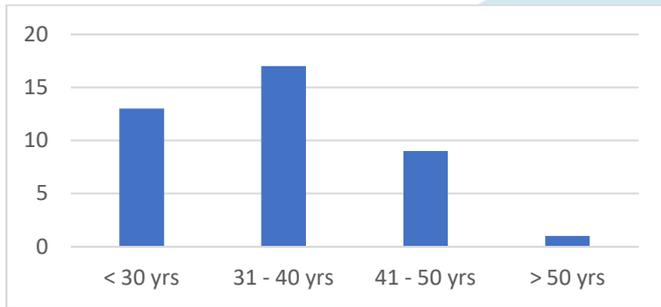


**Figure: 1**

As mentioned above out of 40 respondents 35 were male and 5 were female, it depicts that as it a manufacturing organisation, male employee strength is more than female employees and therefore the researchers chose to maintain the ratio by considering more response from male employees.

**Q.2) Age wise distribution of sample -**

< 30 yrs	13
31 – 40 yrs	17
41 – 50 yrs	9
>50 yrs	1

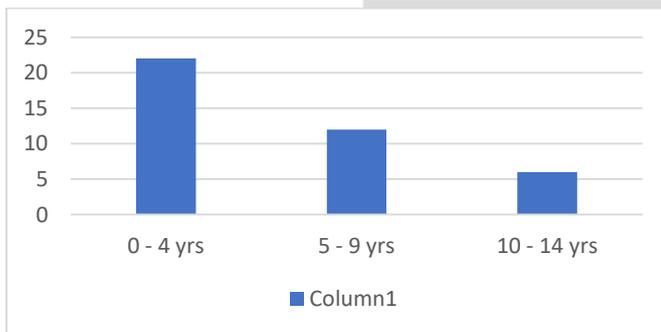


**Figure: 2**

The sample was divided into four groups, below 30 yrs age there are 13 respondents, between 31 – 40 yrs age there are 17 respondents, between 41 – 50 yrs there are 09 respondents and 50 yrs and above there is only 01 respondent. Majority of the respondents are between age of 31 – 40 yrs.

**Q.3) Experience wise distribution of sample –**

0-4 yrs	22
5-9 yrs	12
10-14 yrs	06



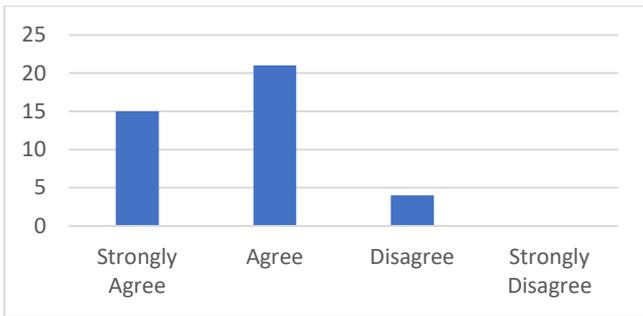
**Figure – 3**

The sample was divided into three groups, 22 respondents were there in 0-4 yrs category and 12 respondents were there in 5-9 yrs category, whereas only 6 respondents were 10-14 yrs. of experience, which proves that researchers tried to find the rationale between the experience of the employees and attrition i.e. The employees towards the lower expr level are less stable as compared to their experienced counterparts.

**D) Training & Development –**

**Q.4) I Personally see opportunities for promotion in the company after training.**

Strongly Agree	15
Agree	21
Disagree	04
Strongly Disagree	0

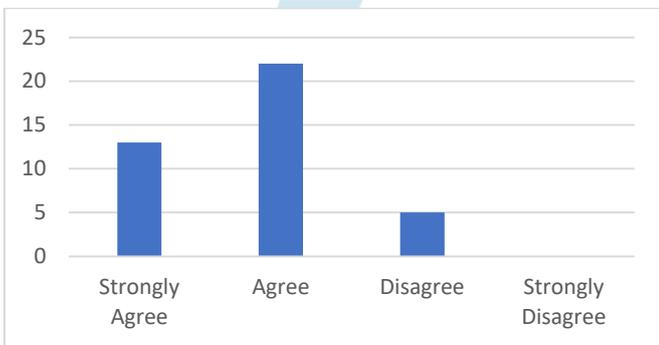


**Figure - 4**

Majority of the employees i.e. 21 respondents out of 40 personally see the opportunities for promotion in the company after training.

**Q.5) I have many opportunities for developing personal skills at work.**

Strongly Agree	13
Agree	22
Disagree	05
Strongly Disagree	0

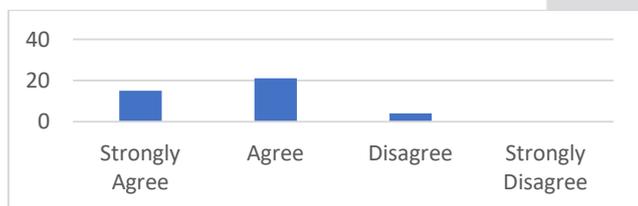


**Figure – 5**

Majority of the employees i.e. 22 respondents out of 40 personally agree that have many opportunities for developing personal skills at work.

**Q.6) I have the opportunity to use my ability at work.**

Strongly Agree	15
Agree	21
Disagree	04
Strongly Disagree	0

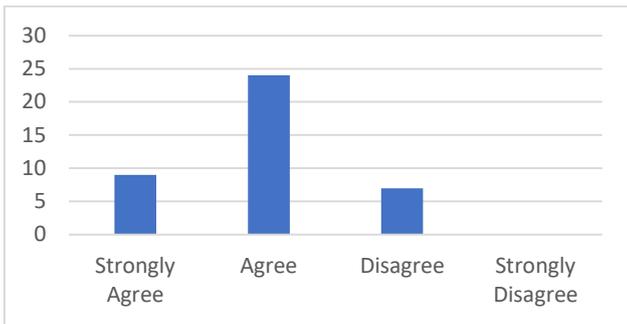


**Figure – 6**

Majority of the employees i.e. 21 respondents out of 40 personally agree that they get opportunity to use their ability at work.

**Q.7) I receive good training from the company.**

Strongly Agree	09
Agree	24
Disagree	07
Strongly Disagree	0

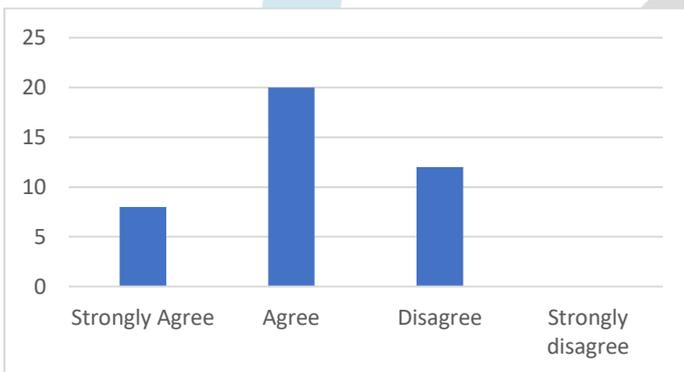


**Figure – 7**  
Majority of the employees i.e. 24 respondents out of 40 agree that they receive good training from the company.

**II) Employee Retention –**

Q.8) I want to stay with the company.

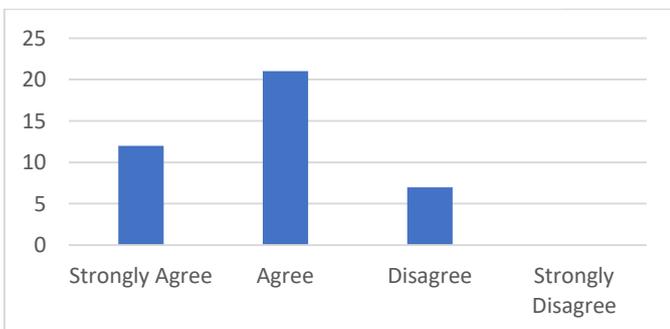
Strongly Agree	08
Agree	20
Disagree	12
Strongly Disagree	0



**Figure – 8**  
Majority of the employees i.e. 20 respondents out of 40 agree that they want to stay with the company.

Q.9) I feel really satisfied doing this job.

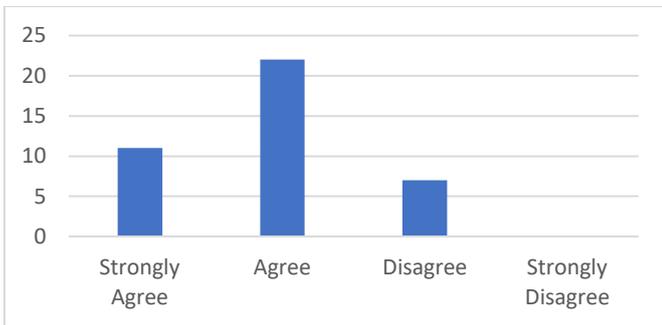
Strongly Agree	12
Agree	21
Disagree	07
Strongly Disagree	0



**Figure – 9**  
Majority of the employees i.e. 21 respondents out of 40 agree that they feel really satisfied doing this job.

Q.10) I feel that I am developing my full potential at work.

Strongly Agree	11
Agree	22
Disagree	07
Strongly Disagree	0

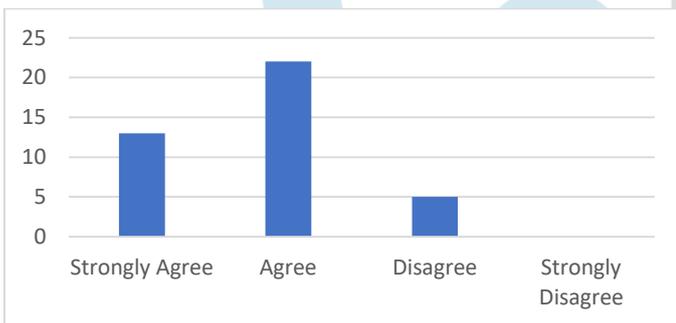


**Figure - 10**

Majority of the employees i.e. 22 respondents out of 40 agree that they are developing the full potential at work.

**Q.11) I feel that the training and development of the company enhance skills and expertise.**

Strongly Agree	13
Agree	22
Disagree	05
Strongly Disagree	0



**Figure – 11**

Majority of the employees i.e. 22 respondents out of 40 agree that the training and development of the company enhance skills and expertise.

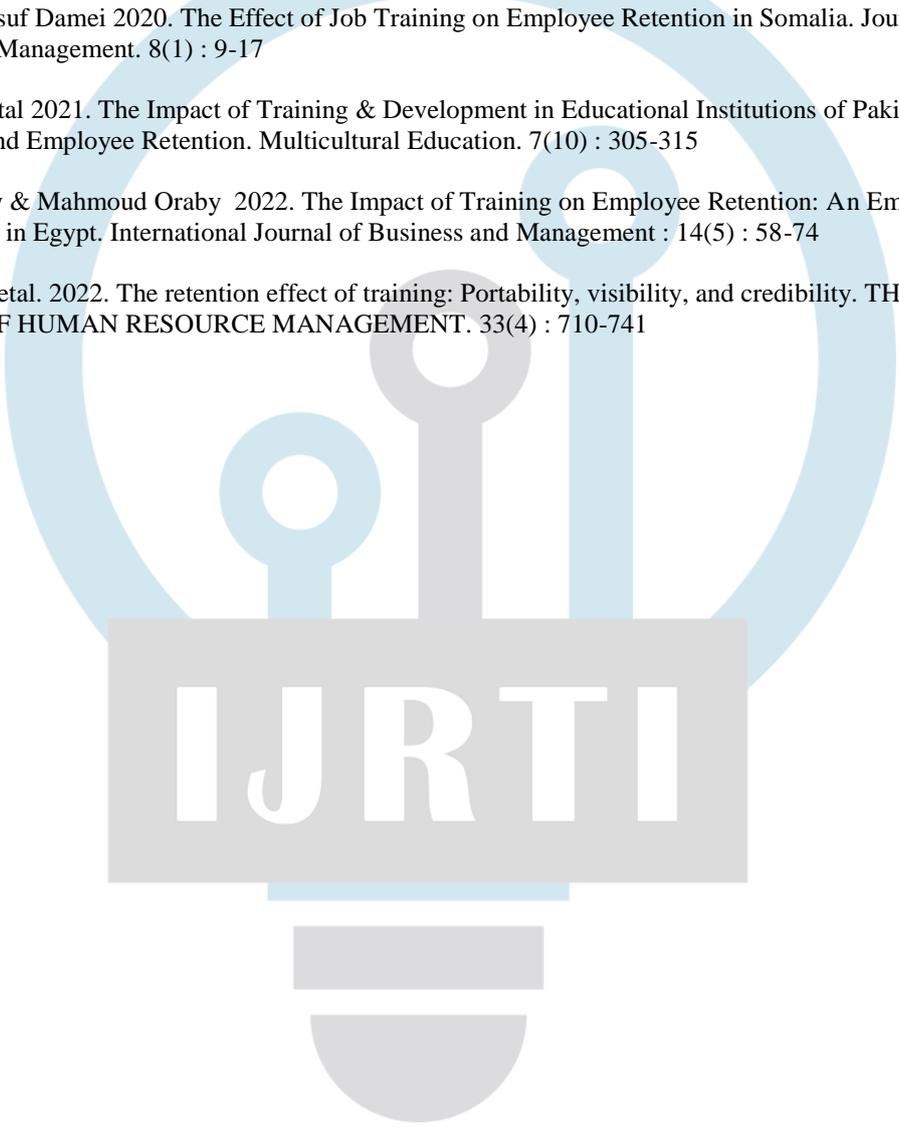
**CONCLUSION:**

It can be concluded based on above findings that RETENTION in today`s market though a challenge is not difficult to achieve as through the data analysis and subsequent findings generated, it can be summarized that as far as employees are satisfied and have positive perception towards the retention strategies of the company they remain loyal to the organization and do not leave and thus a decent picture has been emerged in this direction. Human capital is the most important resource needed to achieve success and profits in any organization, therefore planning and putting strategies to keep skilled and knowledgeable employees is the most important factor for organization success. Employee retention can be achieved through training and development, and job satisfaction which have a direct and positive impact on employee retention. Therefore specific and well-organized training programs should be implemented inside any organization according to each employee's needs and requirements, this can be achieved through an employee's needs assessment system.

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