THE IMPACT OF TRAINING AND DEVELOPMENT ON EMPLOYEE PERFORMANCE: CASE STUDY FROM HORMUUD COMPANY IN MOGADISHU–SOMALIA

ABSTRACT
This paper attempts to examine the impact of Training and Development on Employee Performance at Hormuud Telecom in Mogadishu–Somalia. The paper had two main objectives which are: 1) to determine the relationship between training and employee performance. 2) To identify the relationship between development and employee performance in Mogadishu, Somalia. The researchers utilized convenient sampling to collect 65 questionnaires from Hormuud Telecom in Mogadishu, Somalia. Employees of this Company were provided a questionnaire with three main construct which measuring training, development and employee performance. However, using correlation coefficient, the study found that employee performance (Dependent variable) had significant positive influence with two independent variables namely: training and development. The result of regression analysis found that two constructs had statistically significant, positive, and straight effects on employee performance

KEYWORDS: Training, Development, Employee Performance

INTRODUCTION
In the context of Somalia, telecommunication industry has been considered as one of the most important industry in Somalia’s economy. The industry has full contribution in terms of technological innovation, unemployment reduction, and acting as a source of public contribution to the society. Every telecommunication company attempts to popularize its services, renew its products, and make innovations in order to became well known and gain the major part of the market. Training and development have become the most important factor in the business world today, because training increases the efficiency and the effectiveness of both employees and the organization (Raja, Furqan and Khan, 2011). Training is a systematic restructuring of behavior, attitude and skills through learning- education, instruction and planned experience. Training is designed to change or improve the behavior of employees in the work place so as to stimulate efficiency. The cardinal purpose of training is to assist the organization achieves its short and long term objectives by adding value to its human capital. Training and development are not undertaken for the sake of training, but rather are designed to achieve some needs. Therefore, training and development are need based in the sense that they are undertaken to fill some knowledge gap within an organization.

Training and development are one of the core functions of human resource department.
Training and development basically involves acquisition of a desired knowledge, skills and abilities by the employees to perform well on the job. Training and development programs are combined together to develop abilities and also essential aptitudes leading to continued personal growth. The training and development have been used synonymously. However, the concepts can be distinguished from one another. Researchers noticed that the training is a short-term process, using a systematic and organized procedure by which non-managerial personnel learn technical aspects for a distinct purpose. Development on the other hand is a long term educational process using a systematic and organized procedure by which managerial personnel learn conceptual and theoretical knowledge for general purpose (Steinmetz, 1969). The main purpose of training and development is by improving the employee skills and knowledge so that organizations can maximize efficiency and effectiveness of their human assets (Meyer & Smith, 2000).

Employee Performance refers to the degree of achievement of the mission at work place that builds up an employee job (Cascio, 2006). Different researchers have different thoughts about performance. Mostly researchers used the term performance to express the range of measurements of transactional efficiency and input & output efficiency (Stannack, 1996).

According to Barney (1991) performance is a continuous process to controversial issue between organizational researchers. Organizational performance does not only mean to define problem but it also for solution of problem (Hefferman and Flood 2000). Daft (2000), said that organizational performance is the organization’s capability to accomplish its goals effectively and efficiently using resources. As similar to Daft (2000), Richardo (2001) said that achieving organizational goals and objectives is known as organizational performance. Richardo (2001) suggested that organizations success shows high return on equity and this become possible due to establishment of good employees performance management system.

According to Prawirosentoso (2000), performance is work results that achieved by someone or group in organization, suitable with the authority and responsibility, in effort to reach the organizational goals legally, not violate the law, and suitable with moral and ethics. Mangkunegara (2005), employee performance is work outcome in quality and quantity that achieved by someone in conducting his responsibility

**PROBLEM STATEMENT**

This study begins from the realization of the need for optimally administering the effect of training on employee performance. Training is a systematic process to enhance employee’s skill, knowledge and competency necessary to perform the job effectively. Overall, training impacts organizational competitiveness, revenue and performance. Unfortunately, the majority the governmental, organizations not recognizing the importance of training to increase their employees’ productivity and when the economy slows or when profits decline, many organizations first seek to cut in their training budgets. This will lead to high job turnover then increase the cost to hire new employees which push down the organizational profitability.

**LITERATURE REVIEW**

Training and development are recognized one of most important factors in the world of business because training and development enhances the efficiency and the effectiveness of both employees and the organization. (Tahir, Yousafzai, & Jan, 2014) investigated whether training and development has impact on employees’ performance and productivity. This paper was quantitative in nature. Data were collected through primary source that are from questionnaires surveys. Eighty questionnaires were distributed through primary source for the collection of data. Data were analyzed with the aid SPSS.

The result showed that training and development have significantly related to employee performance and productivity. Another study by (Asfaw, Argaw, & Bayissa, 2015) focused the impact of training and development on the employees' performance and effectiveness at District Five Administration Office, Addis Ababa, Ethiopia. In this study researchers employed cross sectional institutional based quantitative research method. Data were collected using Likert’s scale tool from 100 employees after selecting participants using systematic random sampling technique. Ninety-four complete questionnaires with a response rate of 94% were considered during analysis. Training and development had positively correlated and claimed statistically significant relationship with employee performance and effectiveness.

Similarly, a Case Study Of Escon Consulting Company emphasized the impact of training and development on employee performance. A random sampling method was used to select participants for this study. Accordingly, data was collected using a questionnaire. Researchers noted the ineffectiveness of training and development of employees in the organization reduces the
organization’s productivity, as organizations depend on having people with the right skills, attitudes and capabilities in order to reach goals effectively (Kum, Cowden, & Karodia, 2014).

Khan, Ahmad, Iqbal, & Haider (2014) the aim of this study is to investigate the training that has positive impact on employees’ performance and productivity. This paper is quantitative in nature. Data for the paper have been collected through primary source by questionnaires surveys. The data have been checked through statistical software to find the influence and relationship of training on performance of employees. There are two variable Training and Employees’ performance. Seven conventional banks are selected for the study. It is concluded that training has strong positive impact on employee performance whereas education is negatively correlated with performance in the financial institution of southern Punjab. The research paper suggest that professional training is essential element of human capital development which leads to higher productivity and performance. Devi & Shaik (2012) reviewed the literature of training and development and employee performance. Researchers presented different viewpoints of various authors regarding the significance of training & development for employee performance and organizational effectiveness. Researchers noted effective training and development is very crucial to the employees, the organization and their effectiveness.

Falola, Osibanjo, and Ojo (2014) investigated effectiveness of training and development on employees’ performance and organization’s competitiveness in the Nigerian Banking Industry. Descriptive research method was adopted for this study using two hundred and twenty three valid questionnaires which were completed by selected banks in Lagos State, South-West Nigeria using simple random sampling technique. The data collected were carefully analyzed using descriptive statistics to represent the raw data in a meaningful manner. The results show that strong relationship exists between training and development, employees’ performance and competitive advantage. Researchers suggested, bank management should not relent in their quest to train their staff to develop new ideas that will keep improving and retaining employee performance.

Ojambati, Akinbile, and Falemu (2012) aimed to investigate the training and development requirement of construction personnel and the effects on workers performance. The data obtained was analyzed with the use of descriptive and inferential statistical methods. The study revealed that the current status of the company and employee current skill level as determinant of training and development of employee, mostly used training and development methods in construction industry as on the job training method. The study also concluded that employee become more valuable to the firm and to society when trained and it recommend that construction industries are therefore encouraged to train and develop their employee to the fullest advantage in order to enhance their effectiveness. Similarly, (Gonchkar, 2012) examined the impact of training and development of officers on their performance. The survey method has been used for this study. Data required for the research was collected from both primary and secondary sources. The collected primary data ware analyzed using Statistical tools like. Researchers concluded that training and development have significant impact on officers performance.

Additionally, The purpose of another study was to investigate the impact of training practices on employees and organization performance in Congolese telecommunication companies. Following the empirical framework, a survey was developed and data collected from four telecommunication companies. Results indicate that training practices have a positive linear relationship with employee and organization performance. Furthermore, training practices have positive and statistically significant effect on employees and organization performance. (Nudy, 2015).

kiweewa and Asiimwe (2014) examined the implications of training on employee performance in regulatory organizations in Uganda. Using a sample of 80 respondents out of the expected 108 (response rate of 81%). This study used a questionnaire to collect the data among key stakeholders. Prior to field research, the questionnaire was tested for reliability using alpha coefficients and it measured above 0.7 which is satisfactory when analyzing data. Similarly, a non-parametric chi-square test (x2) was used to test the association of responses within the variables. The findings demonstrated a significant relationship between training and employee performance in UCC which formed the case study.

Another study sought to establish the influence of Training and Development on the performance of employees in research institutes in Kenya. The overall objective of the study was to determine how Training and Development influence employee Performance in research institutes in Kenya. The study adopted descriptive and correlation research designs while the target population was drawn from the research institutes that were within Nairobi county and its environs. The study adopted
stratified sampling technique while the sample size was 256 employees. A statistical package for social sciences (SPSS) was used to analyze quantitative. The results of the study revealed that the correlation between employee performance and Training and Development were highly significant at 0.383 (P=0.000) (Kepha, Kagiri, & Omoke, 2014).

Finally, another paper explored the impact of training and development on employee performance in select public sector organization. The research was intended to determine the role and impact of training on employees with emphasis on the Executives, Supervisors and Workmen of select public sector organization, who were randomly selected. Questionnaire was designed using structured questions to collect primary data from employees. The results indicated that select public sector organizations employees were not well informed about training and development programs in the organization. Most of the employees were of the view that training and development were effective tools for both personal and organizational success (Bhartiya, 2015).

After reviewing these articles, most of the researchers found that training and development had positive relationship with employee performance especially the contribution of (Kepha, Kagiri, & Omoke, 2014). Training and development indicated significant relationship with employee performance. With the light of the result training factor is the one that most impact positively on employee performance. The researchers generated the following hypothesis:

**CONCEPTUAL FRAMEWORK**

<table>
<thead>
<tr>
<th>Training</th>
<th>Development</th>
<th>Employee Performance</th>
</tr>
</thead>
</table>

**H1:** there is positive relationship between training and employee performance at Hormuud Telecom in Mogadishu-Somalia.

**H2:** there is positive relationship between development and employee performance at Hormuud Telecom in Mogadishu-Somalia.

**METHODOLOGY**

This study was conducted through case study to examine the relationship between training development and employee performance; the study utilized regression, correlation analysis to answer the research objectives and to test the research hypothesis.

The researchers utilized convenient sampling to collect 65 respondents from Hormuud Company in Mogadishu-Somalia, employees of this Company were provided a questionnaire with three main construct which measuring training, development and employee performance.

The researchers’ utilized Cronbach alpha to investigate the internal consistency of the questionnaires collected from the respondents. All variables of the study gained high inside reliability as shown in below table 1 this allows as to make further analysis and discussion.

**Table 1: Reliability test**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Items</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>6</td>
<td>0.888</td>
</tr>
<tr>
<td>Development</td>
<td>7</td>
<td>0.822</td>
</tr>
<tr>
<td>Employee performance</td>
<td>9</td>
<td>0.897</td>
</tr>
</tbody>
</table>

**DATA ANALYSIS AND DISCUSSION**

**DEMOGRAPHIC PROFILE**

According to the gender respondents 61.1% were male while 11.1% was female; in Somalia male domain all the sector of employment and telecommunication firms is no exception. 12.2% of the respondent’s age was between 18-25 years old, 50.0% of the respondents were 26-35 years old, 5.6% of the respondents reported that they are between 36-45 years while only 4.4% were above forty six years old. In terms of marital status of the respondents, 38.9% were married while 33.3% were single. 40.0% of the respondents were bachelor degree, 13.3% had diploma certificate, 1.1% high school certificate while 17.8% were master degree level.
### Table 2: profile of the respondents

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>55</td>
<td>61.1</td>
</tr>
<tr>
<td>Female</td>
<td>10</td>
<td>11.1</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-25</td>
<td>11</td>
<td>12.2</td>
</tr>
<tr>
<td>26-35</td>
<td>45</td>
<td>50.0</td>
</tr>
<tr>
<td>36-45</td>
<td>5</td>
<td>5.6</td>
</tr>
<tr>
<td>46 and above</td>
<td>4</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Marital status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>30</td>
<td>33.3</td>
</tr>
<tr>
<td>Married</td>
<td>35</td>
<td>38.9</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Level of Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td>Diploma Certificate</td>
<td>12</td>
<td>13.3</td>
</tr>
<tr>
<td>Bachelor Degree</td>
<td>36</td>
<td>40.0</td>
</tr>
<tr>
<td>Master Degree</td>
<td>16</td>
<td>17.8</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>100.0</td>
</tr>
</tbody>
</table>

### CORRELATION BETWEEN THE VARIABLES

Table 3 shows the result of correlation analyzes of the relationships among training, development and employee performance. Training has positive relationship with employee performance ($r=.438$ and $p<0.01$). Training actively participates with employee performance. Employees with good training program tend to enhance organizational development at Hormuud Telecom in Mogadishu, Somalia. The second objective of this study was to identify the relationship between development and employee performance at Hormuud Telecom in Mogadishu, Somalia. Development has positive effect on employee performance ($r=.371$ and $p<0.01$).

### Table 3: Correlation Analyzes

<table>
<thead>
<tr>
<th></th>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Training</td>
<td>4.2513</td>
<td>.78458</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Development</td>
<td>4.1033</td>
<td>.69963</td>
<td>.780</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Employee performance</td>
<td>3.7830</td>
<td>.89316</td>
<td>.438</td>
<td>.371</td>
<td>1</td>
</tr>
</tbody>
</table>

### REGRESSION ANALYSIS

This study investigated the impact of training and development on employee performance at Hormuud Telecom in Mogadishu, Somalia. Two hypotheses were developed after reviewing the existing literature, to test the research hypotheses were employed the linear regression analysis. The researchers checked regression hypothesis before taking place to further analysis. The dependent variable employee performance was normally distributed across all independent variable. Two hypotheses were developed after reviewing the existing literature; $H_1$ confirmed that there is significance relationship between training and employee performance at Hormuud Telecom in Mogadishu-Somalia. $H_2$ asserted that there is no positive relationship between development and employee performance at Hormuud Telecom in...
Mogadishu-Somalia. The result of regression analysis shown in below table shows that training had positive relationship with employee performance at Hormuud Telecom in Mogadishu, Somalia

<table>
<thead>
<tr>
<th>Table 4: Regression Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variables</strong></td>
</tr>
<tr>
<td>Training</td>
</tr>
<tr>
<td>Development</td>
</tr>
<tr>
<td>R</td>
</tr>
<tr>
<td>R Square</td>
</tr>
<tr>
<td>Adjusted R Square</td>
</tr>
</tbody>
</table>

**DISCUSSION AND CONCLUSION**

The current study investigated the impact of training and development on employee performance at Hormuud Telecom in Mogadishu-Somalia; the paper had two main objectives which are: 1) to determine the relationship between training and employee performance. 2) To identify the relationship between development and employee performance at Hormuud Telecom in Mogadishu-Somalia.

The researchers employed convenient sampling to collect 65 respondents from Hormuud Telecom in Mogadishu, employees of this Company were provided a questionnaire with three main construct which measuring training, development and employee performance.

The result of correlation coefficient revealed that employee performance (Dependent variable) had significant positive influence with two independent variables namely: training and development. The result of regression analysis found that one of constructs had statistically significant, positive, and direct effect on employee performance. Regarding the H2 of this study did not support; the most indicator of employee performance is training at Hormuud Telecom in Mogadishu-Somalia.

The study affirmed that there was a positive relationship between training and employee performance. Training generates benefits for the employee knowledge, skills, ability, competencies and behavior. This could also be done through support and involvement.

**RECOMMENDATION**

Receiving on the job training is closely related to improved performance of the trained employees but it is important to know that employee’s performance is affected by many other factors such as mental or psychological condition, organizational culture of the particular place of work, interaction among employees and so forth. It is recommended that these organizations hire counselors or psychologists to assist workers who have other difficulties in life to remain focused in their jobs despite the challenges they are facing out of the office. Having psychologists at the place of work would also be a catalyst for improved performance because workers who have social problems be it at the place of work or out of it have a chance to talk about them and receive appropriate assistance.

**REFERENCES**


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