International Journal of Management, IT & Engineering Vol. 8 Issue 3, March 2018, ISSN: 2249-0558 Impact Factor: 7.119 Journal Homepage: <u>http://www.ijmra.us</u>, Email: editorijmie@gmail.com Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A

# A STUDY ABOUT HOW WORKFORCE DIVERSITY (CULTURAL, AGE, GENDER, ETHNICITY), TRAINING AND DEVELOPMENT INFLUENCES ON EMPLOYEE'S PERFORMANCE IN THEIR WORKPLACE IN INFORMATION TECHNOLOGY COMPANIES, BANGALORE

# Dr.A.Kumudha<sup>\*</sup>

<u>Raji Jennet<sup>\*\*</sup></u>

# <u>Abstract</u>

This paper describes about the employee's workforce diversity in terms of culture, age, gender, ethnicity, racial background and training in terms of its need, development and effectiveness. This study reveals when the organization has a good training for practicing workforce diversity, employees will enjoy all the positive benefits such as motivation, knowledge and skill transfer, creativity and better decision making. Hence employees are enhances the organization's growth. If workforce diversity and training is not handled correctly, the diverse workforce will badly effect organization growth. This research also aims to see the "how workforce diversity (cultural, age, gender, ethnicity), employee training and development influences on employee's performance in their workplace", in which Workforce Diversity, Training and Development consider as independent whereas dependent variable 'Employee Performance'. This research investigates the relationship between work force diversity (cultural, age, gender, and ethnicity), training development and employee performance in the IT Companies and also how work force diversity, training and development influences on employee performance among the IT companies employees. The data were analyzed using Statistical Package for Social Science (SPSS) software.

<sup>\*</sup> Associate professor, Department of Business Administration, PSGR Krishnammal College for Women, Coimbatore, TamilNadu, India

<sup>\*\*</sup> Research Scholar (FT), Department of Business Administration, PSGR Krishnammal College for Women, Coimbatore, Tamil Nadu, India

analysis revealed that workforce diversity, training and development had significantly related with performance of employees.

#### Keywords: workforce diversity, Training and Development, Employee Performance

# **INTRODUCTION**

IT companies are mainly recruited employees from all over the world. Employees are major assets of any organization. These unique assets through effective training become imperative in order to maximize the job performance. Also position them to take on the challenges of the today's competitive business climate. In India, Bangalore is one of the most globally competitive city, it attracts highly skilled and extremely innovative people to work here. Globalization and Internet have reduced the gap in the time to market scale. Thus hyper competition is almost unavoidable in every field. At the same time the technical challenge of industrial problems is getting more difficult as well as more complex. In Bangalore workforce has employees from different states, cultures, generations and genders. This multiculturalism has positioned for improving organizational performance. It is highly influenced by individual employee performance. Employees' performance is the behavior and attitude of an employee at work. The accomplishment of the industry depends on its employee performance. Therefore, upper management knows the significance of expense in training for the advantage of improving employee performance and also places them to get the challenges of the today's competitive business environment. One of the key factors of any organizations is its employees. Employee performance can also be influenced by workforce diversity, training and development of an individual employee. This research investigates the relationship between work force diversity (cultural, age, gender, and ethnicity), training development and employee performance in the IT Companies and also how work force diversity, training and development influences on employee performance among the IT companies employees.

#### INTRODUCTION TO THE CONCEPTUAL FRAMEWORK

I. WORKFORCE DIVERSITY: Workforce diversity is consisting of similarities and differences among employees in terms of age, cultural background, physical abilities and disabilities, race, religion, gender, and sexual orientation. Workforce Diversity

means that organizations are becoming more heterogeneous in terms of culture, age, gender, race and ethnicity (Stephen P Robbins, et.al; 2009). Diversity includes cultural factors such as race, gender, age, colour, physical ability, ethnicity, etc. The four layers of diversity concept are used in many organizations to frame the issue and encourage discussion and involvement in managing diversity. In this concept the first layer is **personality.** It is relating to individual style and characteristics. The second layer is **internal dimensions.** It contains gender, age, race, ethnicity, physical ability. The external dimension is third layer. It consists of the result of life experiences and choices such as religion education, marital status, work experiences and recreational habits of employees etc. The last layer is organizational dimensions. It is those aspects of similarity and differences that are the part of work in the organization. These four layers of diversity dimensions also affect and deal with employees and productivity of the organization. (Gardens warts & Row (2003); Internal Dimensions and External Dimensions, adapted from Loden&Rosener(1991). Generally speaking, the term "Workforce Diversity" refers to policies and practices that seek to include people within a workforce who are considered to be, in some way, different from those in the prevailing constituency.

#### Benefits of managing workforce diversity

- High level of Productivity
- Exchange of varieties of ideas and Team work
- Learning and growth
- Effective Communication
- Diverse Experience

# > CULTURAL DIVERSITY:

Cultural diversity is also known as Multiculturalism. It is a group of diverse individuals from different cultures or societies. Usually cultural diversity takes into account language, religion, race, sexual orientation, gender, age and ethnicity. To manage effectively in a global or a domestic multicultural environment, we need to recognize the differences and learn to use them to our advantage, rather than either attempting to ignore differences or simply allowing differences to cause problems (Adler, 1997). Encouraging cultural and diversity in workplace, it will provide expand the business opportunity in other boundary. Employees from different backgrounds, so share their belief systems and business practices with the company can improve its ability to solve the problems.

#### > AGE DIVERSITY:

Age diversity is the ability to accept all different types of ages within a business environment. Companies have to adjust to an aging population in various ways.Today's diverse workforce reflects generational differences and differing perspectives about the relationship between age and ability or professional worth. While complaints about age discrimination are not as prevalent as complaints about gender and racial discrimination, managers must still promote awareness and understanding of age differences in the workforce. Firms are not effectively utilizing the talents of old workers due to false assumptions and stereotypes that they are expensive, more prone to health problems, can't adapt to workplace changes and new technology, perform poorly, in comparison to their younger employees and are a poor return on training investment (McGregor and Gray, 2002; Taylor, 2003).

#### Age Diversity Trends and Examples

1. Salary differences: Since older workers are usually higher-paid due to the time in the job market, there needed to be a salary adjustment overall. The younger employees needed to have their salary adjusted to match their job responsibilities. Some of the older managers had top-heavy salaries for their position. Certain older employees were offered early retirement, while others took a pay cut to ensure the success of the company.

2. Team building sessions need to be run every month to help develop intergenerational communication. For example, younger employees rely heavily on texting and their iPads for work communication, while older employees still uses traditional emails. Technology training sessions were provided to bring the older employees up to date. Some of the younger managers acted as mentors to help with setting up iPads for the sales force.

# ➢ GENDER DIVERSITY

Gender diversity in the workplace is the equal treatment and acceptance of both males and females in an organization. Diversity adds value to a company's bottom line due to the different viewpoints and backgrounds of diverse individuals. Gender diversity is when a company is represented by a more equal proportion of men and women. More companies are realizing the value of having a diverse workforce. Wood (1987) showed that mixed gender group performed better than the same gender group.Richard et al (2004) has observed an inverted U-shaped relationship between management group gender heterogeneity and productivity, with moderately heterogeneous management groups exhibiting better performance than gender homogeneous management groups. Gender diversity showed a positive impact in the services industry and a negative impact on the manufacturing industry. Thus, services industries might benefit more from gender diversity than firms in the manufacturing industries. Therefore, high gender diversity will have a greater positive effect on performance in the services industry than in the manufacturing industry. Organizations have an preference to contract male workforce compared to female since they should have better performance and abilities to manage their jobs. Overall, the sections of organizations with more gender based diversity at managerial and non-managerial levels were more cooperative and collaborative.

# > ETHNIC DIVERSITY

An 'ethnic group' has been defined as a group that regards itself or is regarded by others as a distinct community by virtue of certain characteristics that will help to distinguish the group from the surrounding community. Ethnicity is considered to be shared characteristics such as culture, language, religion, and traditions, which contribute to a person or group's identity. Ethnicity has been described as residing in:

• The belief by members of a social group that they are culturally distinctive and different to outsiders;

• Their willingness to find symbolic markers of that difference (food habits, religion, forms of dress, language) and to emphasize their significance; and

• Their willingness to organize relationships with outsiders so that a kind of 'group boundary' is preserved and reproduced

This shows that ethnicity is not necessarily genetic. It also shows how someone might describe themselves by an ethnicity different to their birth identity if they reside for a considerable time in a different area and they decide to adopt the culture, symbols and relationships of their new community. Interculturalism promotes interaction, collaboration and exchange between people of different cultures, ethnicities or religions to develop understanding, respect and equality –of-outcome for all. Ethnicity is associated with culture.

# II. Training and development

Training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in

organizationalsettings.Training and development encompasses three main activities: training, education, and development.

- **Training**: This activity is both focused upon, and evaluated against, the job that an individual currently holds.
- Education: This activity focuses upon the jobs that an individual may potentially hold in the future, and is evaluated against those jobs.
- **Development**: This activity focuses upon the activities that the organization employing the individual, or that the individual is part of, may part take in the future, and is almost impossible to evaluate.

# Need of Training & Development in the Workplace

- 1. To make employees more effective and productive.
- 2. To match the employee specification with job requirements of organizational needs.
- 3. To cope with the technological advancements.
- 4. To improve the quality of product I service.
- 5. To reduce wastage.
- 6. To minimize industrial accidents.
- 7. To prevent obsolescence.
- 8. To deal with human relations.
- 9. To increase the fair value earning power & job security of employees.
- 10. It moulds the employee's attitude and helps them to achieve a better co-operation.

# Effectiveness of Training in the workplace:

- The productivity of individual on job increases.
- Employee gets job satisfaction at job.
- Psychological problems of employees come to low level.
- Involvement of employees in their jobs increases.
- A sense of commitment and loyalty among employees develop.
- Employees get higher salaries and incentives on production basis.
- Quality and quantity of the total production increase.
- Sales and market shares of the company in the market improves.
- Profit improves and that leads to progress of the business.

- Good will of the organization goes high.
- All these contribute in the development of national economy and living standard of the society as a whole.

#### **Types of training**

The following are the types of training provided in organizations: On-the-job methods and off- the-job training methods.

• On-the-job training methods

This type of training, also known as job instruction training, is the most commonly used method. Under this method, the individual is placed on a regular job and taught the skills necessary to perform that job. The trainee learns under the supervision and guidance of a qualified instructor. On-the-job training has the advantage of giving firsthand knowledge and experience under the actual working conditions. On-the job training methods include job rotation, coaching, job instruction or training through step-by-step and committee assignments.

• Off-the-Job training Methods

Under this method of training, trainee is separated from the job situation and his attention is focused upon learning the material related to his future job performance. Off-the-job training methods include Vestibule training, Role Playing, Lecture Method, Conference or Discussion etc.

Effective employee training leads to an increase in quality goods and services as a result of potentially fewer mistakes. Consequently, accuracy, effectiveness, good work, safety practices and good customer service can be expected. An intelligent and well-trained workforce is central to both productivity and the success of an organisation.Rothwell and Kazanas (2006) say that training will lead to increase the capacity of the employee and also provide freedom of work which will build the confidence among the employees. Participation By letting employees participating in organizations policies or decision making can lead the employee to enhance the performance. They will be able to make more smart decisions. Delegation if managers delegate authority to the employees to perform the task, what they want can also lead to enhance performance. Employees will do those activities which they can perform more easily.

#### III. Employee Performance

Every organization performs its task with the help of resources as men, machine, materials and money. Except manpower other resources are non-living but manpower is a live and generating resource. Manpower utilizes other resources and gives output. Every organization has been established with certain objectives to achieve. These objectives can be achieved by utilizing the resources like men, machines, materials and money. All these resources are important but out of these the manpower is the most important. It plays an important role in performing tasks for accomplishing the goals. Nowadays the markets are also very competitive and there is cut throat competition. For every organization it is difficult to start, survive, stabilize and excel in the business. The firm that gets the advantage over other competitors through their talented and dedicated manpower can take the lead in the market. The contribution of employees on job is the most important factor for development and excellence in business. The performance of employees on different jobs in close coordination is needed for success of the unit.

An effective training and development programs aimed at improving the employees' performance. Training relates to connecting the gap between the current performance and the standard desired performance. Training could be given through different methods such as coaching and mentoring. Team work enable employees to actively participate in their job and produces better performance. So it is improving organizational performance. Training programs not only develop employees ability at the same time it help an organization to make best use of their human resources and achieve its goals. Training is not only increase productivity but also motivate employees, to know about how important their jobs and their job performance. All these training objectives focus on increased employee's performance as well as organizational effectiveness.

#### INTRODUCTION TO THE IT SECTOR

Information technology in India is an industry consisting of two major components: IT services and business process outsourcing (BPO). Information Technology (IT) industry in India is one of the fastest growing industries. Indian IT industry has built up valuable brand equity for itself in the global markets. India is considered as a pioneer in software development and a favorite destination for IT-enabled services. India's IT Services industry was born in Mumbai in 1967 with the establishment of Tata Group in partnership with Burroughs.The first software export zone SEEPZ was set up here way back in 1973, the old avatar of the modern day IT park.The IT sector in India is generating 2.5 million direct

employments. India is now one of the biggest IT capitals of the modern world and all the major players in the world IT sector are present in the country.

Bangalore is considered to be the Silicon Valley of India because it is the leading IT exporter. Other Major information technology hubs are Hyderabad, Mumbai, Delhi, Chennai and Pune. In ongoing market India is the second largest exporter of IT. India's second and third largest software companies are headquartered in Bangalore. The recent global financial crises have deeply impacted the Indian IT companies as well as global companies.

This research was conducted in IT Companies only. The study has done among employees in the following IT Companies in Bangalore city.

- 1. Ericson India Global Services Pvt.Ltd
- 2. Accenture services Pvt.Ltd
- 3. Cognizant Technology Solutions
- 4. NIIT Technologies Ltd
- 5. Reliance Communications Ltd

#### **NEED FOR THE STUDY**

In today's world, one of the biggest challenge faced by IT companies is to retain the workforce diversity, training and development of the employee's performance. IT employees have a lot of work pressure in their work, which affect their job satisfaction and their performance results. A proper workforce diversity, training and development plays a role in this matter by managing employees ability to increase, as a result it may lead to higher performance and achieve organization's ultimate goals. The purpose of this study is that to realize workforce diversity (cultural, ethnicity, age, and gender), training and development affects employee's performance in the IT companies. Hence the present study is aimed at bringing out the results of workforce diversity, training and development whether positively related to employee's performance in the selected companies.

# **OBJECTIVES OF THE STUDY**

- To understand the relationship between work force diversity (cultural, age, gender, ethnicity) and employee performance in the IT Companies in Bangalore.
- To study the relationship between training development and employee performance in the IT Companies in Bangalore.
- To identify what extent Workforce Diversity and Training development in the IT companies may effect on Employee performance in IT Industry.

#### SCOPE OF THE STUDY

Work force Diversity (such as cultural, age diversity, gender diversity & ethnicity), Training and Development plays a vital role in identifying the employee's performance in their job. By finding the relationship between work force diversity (such as cultural, age diversity, gender diversity & ethnicity), training development and employee's performance and also how it influences the employee performance. This study will help to know how employee perform in their job and how perceived their workforce diversity and how their training development affect their performance towards their work.

# LIMITATIONS OF THE STUDY

The research study has certain limitations.

- The study is done within the city of Bangalore, the results cannot be generalized.
- The study depends entirely on the responses of IT employees; the results of the study are not generalized to other organizations.
- The accuracy of the results depend on the responses of the primary data.

# **REVIEW OF LITERATURE**

**Barboza Coral (2015)** stated about impact of workforce diversity on retail sector employees in Mangalore city, found that the major reason retail outlets in Mangalore strive to incorporate diversity is to improve productivity and to remain competitive in the market..The units selected for the study consists of employees working in retail sectors (6 retail subsectors were selected) in the city of Mangalore.The sample size of 50 respondents with diverse backgrounds was selected. The author pointed that diversity management is the key to growth in today's fiercely competitive global marketplace.

**Klaus Desmet, et al; (2015),** in their study described on Culture, Ethnicity and Diversity. This study investigated the empirical relationship between ethnicity and culture.Using surveys of individual values in 76 countries, they found that ethnic identity is a significant predictor of cultural values. This study revealed that ethnic and cultural diversity are unrelated. This study explored the correlates of cultural diversity and of the overlap between culture and ethnicity, found that the level of economic development is positively associated with cultural diversity and negatively associated with the overlap between culture and ethnicity.

**Darwin Joseph R, et al; (2015),** explained in their study the effects of work force diversity on employee performance in Singapore organizations. This study focused on the effect of the workforce diversity in terms of age, gender and ethnicity. The study exposed that the diversity of all three demographic profiles of the workforce - namely age, gender and ethnicity - does not significantly impact the performance of employees.

**Shakila P (2014)** conducted a literature review about reports on training and development. This study explained that the importance, need of review of literature and the related review of studies to the topic. It has been concluded that the new advancements in Human Resource Development should be included in evaluating the effectiveness of training programs. This study suggested that training and development very much essential for employees for further development of their career.

**Michael ChidiebereEkwe et al;(2014),**conducted a study to understand about theimpact of training and development on organizational effectiveness: evidence from selected public sector organizations in Nigeria. The study was conducted by administering questionnaire to a sample of 55 in Nigeria public sector. Statistical tools like chi-square, Pearson's Correlation and linear regression was used to analyze the data. The finding indicated that there is positive relationship between training/development and organizational effectiveness.

**Harold Andrew Patrick, et al; (2011)** in their study investigated about career management, employee development and performance in Indian Information Technology Organizations. Relevant information was collected from 100 employees from Indian IT companies. The study found that individual factors contributed maximally to IT employee's career growth, followed by managerial factor, organizational processes, organizational culture and least factor was opportunities for career growth.

**Raymond A Noe** (1996) examined whether career management is related to employee development and performance? The study examined the relationship between different aspects of the career management process and employee development behavior and performance. The size of sample included 120 employees in a state agency located in the Midwestern United States.. Regression analysis showed that career goal had a significant positive influence on development behavior. The results showed that performance accounted for slightly more variance in development behavior than development behavior account for in performance.

#### **RESEARCH GAP**

Not much studies have done these combined effects of workforce diversity, training and development on employee performance.

#### **RESEARCH DESIGN**

A research is an art of scientific investigation. According to Kothari (1985) research comprises defining and redefining problems, formulating hypothesis or suggested solutions, collecting, organizing and evaluating data, making deductions and reaching conclusions and at last carefully testing the conclusions to determine whether they fit the formulating hypothesis.Research methodology is the manipulation of things, concepts, or symbols for the purpose of generalizing to the maximum extend to correct or verify knowledge whether that knowledge helps in construction of theory or in the practice of an art.The research design implications are necessary to show a clear picture about the study on research methods and review and to state the problem of the study.

#### **INSTRUMENT USED**

The study adopted the guide lines from Jill and Roger (2009), Patrick and Rajkumar (2012), Koseek and Zonia (1993), Miler et.al (1998). The respondents were requested to provide their opinion in the five point Likert scale ranging from "5" Strongly Agree to "1"Strongly Disagree. The instrument also had questions to the demographic profile of the respondents.

# METHOD OF DATA COLLECTION

The primary and secondary information are collected to achieve the research objectives.

- **Primary Data:** The data were collected through the questionnaire.
- Secondary Data: Secondary data is also collected from journals, books and websites.

# NATURE OF QUESTIONNAIRE

The questionnaire used in this study is structured and constructive one. The questions used in the questionnaire were pre-tested. Its validity and reliability were also verified and tested. The validity aspects cover content, criteria and consistency. The reliability score is found to be 0.96 which is highly reliable. The questions were distributed to cover the aspects

of respondent's demographic background. The constructed questions were designed as Likert scales.

Variables of the study	No. of Items	Cronbach's Alpha
Workforce Diversity		
Cultural Diversity	18	.802
• Age Diversity	11	.765
Gender Diversity	9	.817
• Ethnicity Diversity	10	.817
Training		
Training Need	12	.850
Training and     Development	20	.880
• Training Effectiveness	17	.909
Employee performance	14	.839

**Table1: Reliability Test** 

# SAMPLING AND TARGET POPULATION

The process of drawing a sample from a large population is called sampling. Sampling is a part of population, which is studied in order to make inferences about the whole population. The sample unit covers five IT Companies. The respondents were contacted in person and the significance of the study was explained to them before administering the questionnaire. The target population of study is software engineers, team leader, project managers and system analysists. Sufficient time was given to the respondents for filling up the questionnaire. The target population was five selected IT Companies in Bangalore, out of which 300 questionnaires were issued and only 272 was collected.

This research has adopted simple random sampling techniques for collecting the data from the respondents. Random sampling method is a statistical method of drawing representative data by using lottery method. The advantages of this type of sampling are the availability and the quickness with which data can be gathered. The respondents for the research comprised employees of the IT Companies and were chosen at random.

# STATISTICAL TOOLS AND ANALYSIS

- Partial Least Square (PLS)
- Correlation
- Regression

# THEORETICAL FRAMEWORK

The following diagram shows that workforce diversity and training and development influences on employee performances. In this study 'Workforce Diversity, Training and Development' is considered as an independent variable whereas dependent variable is 'Employee Performance'. Study identified the relationship among these variables. On the basis of the results, the conclusion and recommendations are provided.

# Figure1:THEORETICAL FRAMEWORK



#### HYPOTHESIS TESTING THROUGH PARTIAL LEAST SQUARES (PLS)

This studyemployed a path analysis approach to develop a model that represents the relationships among the various factors in this study: Workforce Diversity (WFD), Training and Development (T&D) on Employee Performance (EMP). In line with the research framework, the following hypotheses are constructed to be tested in this study.

H1: There is a positive relationship between workforce diversity and employee performance.

# H2: There is a positive relationship between training & development and employee performance.

Table2 shows the result of the hypothesis test by confirming the presence of a statistically significant relationship in the predicted direction of the proposed research model. Work force Diversity (0.185) and Training &Development (0.626) had a significant and positive impact on Employee performance.

Hypothes	is	Path Co-efficient	T-test Statistic	Result
H1	WFD→EMP	0.185	1.934	Supported
H2	T&D→EMP	0.626	7.425	Supported

**Table2: Results of Hypothesis Testing** 

The model and hypothesis were tested by examining the path coefficients and their significance. The path coefficients are presented in Figure2. From the table it is inferred that Workforce Diversity and Training and Development have a significant influence on Employee Performance.

#### Figure2: Path Analysis Approach



#### The relationship between Workforce Diversity (cultural diversity, age diversity, gender diversity, ethnicity diversity) and Employee performance.

CORRELATIONANALYSIS: Correlation analysis is the method used to know the association between the variables with respect to all the dimensions used in the study.

Work force Diversity			Gender Diversity	Ethnicity Diversity	Employee Performa nce	
Cultural Diversity	Pearson Correlation	1	.681**	.566**	.558**	.500**
	Sig. (2-tailed)		.000	.000	.000	.000
	Ν	272	272	272	272	272
Age Diversity	Pearson Correlation	.681***	1	.727**	.645**	.514**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	272	272	272	272	272
Gender Diversity	Pearson Correlation	.566**	.727**	1	.679**	.577**
	Sig. (2-tailed)	.000	.000		.000	.000

	Ν	272	272	272	272	272
Ethnicity Diversity	Pearson Correlation	.558**	.645**	.679**	1	.646***
	Sig. (2-tailed)	.000	.000	.000		.000
	Ν	272	272	272	272	272
Employee Performa	Pearson Correlation	.500**	.514**	.577**	.646***	1
nce	Sig. (2-tailed)	.000	.000	.000	.000	
	Ν	272	272	272	272	272

\*\*. Correlation is significant at the 0.01 level (2- tailed).

Source: Primary Data

#### Inference

The correlation between work force diversity and employee performance has been analyzed in the above table. It has been found that all the variables in workforce diversity (Cultural diversity, Age diversity, Gender diversity, & Ethnic diversity) are having a moderate positive correlation with employee performance and they are found to be significant at 0.01 level.

From the above table it is found that there is a significant positive moderate correlation (p=.500) between cultural diversity and employee performance.

There is a significant positive moderate correlation (p=.514) between age diversity and employee performance.

There is a significant positive moderate correlation (p=.577) between gender diversity and employee performance.

There is a significant positive correlation (p=.646) between ethnicity diversity and employee performance.

The present study outcome differ from the study of Darwin Joseph R, et al,(2015) where it has been found that there is a negative/negligible correlation between the variables.

# <u>The relationship between Training development (training need, training and development, training effectiveness) and Employee Performance</u>

# **CORRELATION ANALYSIS** - Training Development and Employee Performance

			e4: Correlations		
		Training	Training and	Training	Employee
		Need	Development	Effectiveness	Performance
	Pearson	1	.729 <sup>**</sup>	.546**	.629**
Training	Correlation				
Need	Sig. (2-tailed)		.000	.000	.000
	Ν	272	272	272	272
	Pearson	.729**	1	.633**	.673**
Training	Correlation				
and Develop	Sig. (2-tailed)	.000		.000	.000
ment	Ν	272	272	272	272
	Pearson	.546**	.633**	1	.695*
Training	Correlation				
Effectiv eness	Sig. (2-tailed)	.000	.000		.000
	Ν	272	272	272	272
	Pearson	.629**	.673**	.695**	1
Employ	Correlation				
ee Perform	Sig. (2-tailed)	.000	.000	.000	
ance	Ν	272	272	272	272

 Table4: Correlations

Source: Primary Data

#### Inference

The correlation between training - development and employee performance has been analyzed in the above table. It has been found that all the variables in Training and development (Training Need, employee training & development and Training effectiveness) are having a moderate positive correlation with employee performance and they are found to be significant at 0.01 level. From the above table it is found that there is a significant positive correlation (p=.629) between Training need and employee performance. There is a significant positive correlation (p=.673) between Training -development and employee performance. There is a significant positive correlation (p=.695) between Training effectiveness and employee performance. The results of this study concur with the result of Raja Abdul Gaffoor, et al. in 2011.

# <u>To identify what extent Workforce Diversity and Training development in the IT</u> <u>companies may effect on Employee performance in IT Industry</u>

#### **REGRESSION ANALYSIS**

Regression analysis is used to predict the value of a variable based on the value of two or more other variables.

Model Summary							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
1	.790 <sup>a</sup>	.624	.614	.30728			

#### Table5:REGRESSION ANALYSIS

	ANOVA <sup>b</sup>						
Mode	1	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	41.281	7	5.897	62.460	.000 a	
	Residual	24.926	264	.094			
	Total	66.208	271				
	dictors: (Const opment	ant), Workf	force D	iversity, T	raining an	d	
b. Dep	pendent Variab	le: Employe	ee Perfo	ormance			
	dictors: (Const opment	ant), Workfo	orce Di	versity, Tı	aining and	1	

SSource: Primary Data

# Inference

			Coefficients	a		
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
1	(Constant)	.455	.189		2.409	.017
	Cultural Diversity	.101	.056	.096	1.799	.073
	Age Diversity	044	.064	045	691	.490
	Gender Diversity	022	.056	026	394	.694
	Ethnicity Diversity	.189	.054	.206	3.504	.001
	Training Need	.167	.054	.180	3.080	.002
	Training and Development	.169	.063	.176	2.679	.008
	Training Effectiveness	.324	.048	.358	6.741	.000

Regression analysis is conducted to investigate the relationship between the workforce diversity, training& development and employee performance. The R –Square is .624 which means that 62.4% of the variance in Employee Performance is explained by the predictor variable Workforce Diversity and Training & Development. The Employee Performance is taken as the dependent variable and workforce diversity and training and development taken as the independent variables.

The Adjusted r squared value is found to be 0.614. This means that 61.4 % of the employee performance can be predicted using the variables workforce diversity and training and development. It has been found that cultural diversity (p=.073, were p>0.05), age diversity (p=.490, were p>0.05) and gender diversity (p=.694, were p>0.05) is not having significant impact on employee performance whereas all other variables such as ethnicity diversity (p=.001, were p<0.05), training need (p=.002, were p<0.05), training & development

(p=.008, were p<0.05) and training effectiveness (p=.000, were p<0.05) are having an impact on employee performance. The Sig. value of the model is found to be less than 0.05. So it can be concluded that the model is significant.

The results of this study concur with the result of Rajesh Vaidya, et al (2013) and Zahir Hussain Bhat (2013).

#### **FINDINGS**

• VISUAL PLS

#### **TESTING OF HYPOTHSIS OF INDEPENDENT VARIABLES**

From the study it is revealed that two independent variables namely Workforce Diversity and Training & development have a significant influence on Employee Performance.

# • CORRELATION ANALYSIS

# The correlation between between work force diversity (cultural, age, gender, ethnicity) and employee performance.

The correlation between work force diversity has been analyzed that all the variables in workforce diversity (Cultural diversity, Age diversity, Gender diversity & Ethnic diversity) are having a moderate positive correlation with employee performance and they are found to be significant at 0.01 level.

# The correlation between between Training and Development (Training Need, Training and Development, Training effectiveness) and employee performance.

The correlation between Training & Development has been analyzed that all the variables in Training & Development (Training Need, employee training & development and Training effectiveness) are having a moderate positive correlation with employee performance and they are found to be significant at 0.01 level.

# • **REGRESSION ANALYSIS**

Relationship between workforce diversity, training-development and employee performance.

The Adjusted r squared value is found to be 0.614. This means that 61.4 % of the employee performance can be predicted using the variables Work force Diversity, Training and Development. It has been found that in cultural, age and gender diversity is not having significant impact on employee performance whereas all other variables that mean ethnicity diversity, training need, training -development and training effectiveness are having an impact on employee performance. The Sig. value of the model is found to be less than 0.05. So it can be concluded that the model is significant.

#### CONCLUSION

Organizations (IT Companies) must embrace and understand the importance of diversity in order to remain competitive, respond to globalization and promote innovation and productivity within its organization. Based on the results showed the overall effects of workforce diversity (culture, age, gender and ethnicity) towards employee performance in an organization (IT Companies) is significant in demographic variables in most of the ways. The current study revealed that there is a positive moderate correlation between workforce diversity and employee performance.

This study mainly focuses on the influence of training in enhancing the performance of the employees. Training plays vital role in the building of competencies of new as well as current employees to perform their job in an effective way. The main objective of every training session is to increase the value to the performance of the employees; hence all type of businesses design training and development programs of their employees as a continuous activity. Training, education and effective communication will help to execute strong change management practices. It also prepares employees to hold future position in an organization with full capabilities and helps to overcome the deficiencies in any job related area. This study found that the overall effects of training and development (training need, effectiveness and employee training development) having an impact on employee performance in an organization (IT Companies) and it is significant in most of the ways. Also this study revealed that there is a positive moderate correlation between training and development and employee performance.

Employee Performance is the important factor for any organization in order to achieve its goal. When performance is higher among the employees in their job it will increase the productivity of that organization whereas if the performance is low it will affect the organization in all aspects. So employee performance can improve through effective knowledge about workforce diversity and give proper training and development to employees. This study found that there is a moderate positive relationship between diversity, training and development and employee performance. Hence the study concludes that IT Companies should improve employee's workforce diversity, training and development for getting higher employee performance.

# BIBLIOGRAPHY

# **JOURNALS**

- Barboza Coral (2015) Impact of workforce diversity on retail sector employees in Mangalore city *International Journal of engineering and management studies*, vol.6 ,Issue4, ISSN 2229-600X, Pp: 188 – 196.
- Darwin Joseph R. &PalanisamyChinnathambiSelvaraj (2015). The effects of work force diversity on employee performance in Singapore organizations. *International Journal of Business Administration*, Vol.6, Issue2, ISSN.1923-4007, Pp17-29
- Michael ChidiebereEkwe and Happiness Ozioma Obi-Anike(2014), impact of training and development on organizational effectiveness: evidence from selected public sector organizations in Nigeria, *European Journal of Business and Management*, Vol.6, Issue.29, ISSN 2222-1905
- Shakila P (2014), a literature review and reports on training and development, the international journal of management ,ISSN227-5846
- Raymond A Noe (1996) is career management related to employee development and performance? *Journal of organizational behavior*. vol. 17. 119-133 (1996) https://www.researchgate.net/.../246871323\_Is\_career\_management\_related\_to\_em pl...
- McGregor, J., & Gray, L. (2002). Stereotypes and older workers: the New Zealand experience. *Social Policy Journal of New Zealand*, Vol18, Issue.4, ISSN: 08839026, Pp163-177.
- Muhammad Ali, Carol Kulik T. And Isabel Metz (2007), the impact of gender diversity on performance in services and manufacturing organizations, eprints.qut.edu.au/40895/2/40895.pdf

# **UN PUBLISHED THESIS**

- Klaus Desmet, Ignacio Ortuæo-Ortn and RomainWacziarg (2015), Culture, EthnicityandDiversity.file:///F:/M.PHIL/mphil/Articles,questionnaire/training%20arti cle%20reviews%20egMphil%20project/7culture.pdf
- McMillan-Capehart, A. (2006). Cultural diversity's impact on firm performance: The moderating influence of diversity initiatives and socialization tactics. Unpublished doctoral dissertation, Louisiana Tech University, USA
- Sharon Chalmers and Fiona Allon(2002).We All Come from Somewhere Cultural DiversityatSydneyChildren'sHospital,www.uws.edu.au/\_\_data/assets/pdf\_file/0008/1 96334/somewherereport.pdf
- Veera Korjala(2012).Cultural diversity in hospitality management How to improve cultural diversity workforce, www.theseus.fi/bitstream/handle/10024/55331/Ko rjala\_Veera.pdf

# **BOOKS**

- Adler, Nancy J (1997) International Dimensions of Organizational Behavior, Cincinnati, Ohio: South- Western College Publishing
- Bryan (1999) The Diversity Imperative, Executive Excellence, New Delhi: Sage
- Edwin B. Flippo(1976) Principles of Personnel Management, 4th<sup>th</sup> edition, McGraw
   Hill Book Company
- Gardenswarzt, L. & Rowe, A (2003) The Effective Management of Cultural Diversity, Los Angeles: Sage Publications
- Jill, Collis, & Roger, Hussey. (2009). Business Research,3rd edition, Palgrave MacMillan, UK
- Kotari C.R(1985) Research Methodology, Methods and Techniques, illustrated edition, Wiley Eastern ltd., New Delhi

# **WEBSITES**

- http://gladstone.uoregon.edu/~asuomca/diversityinit/definition.html retrieved on 24/07/2016
- https://en.wikipedia.org/wiki/Bangalore seen on 26/07/2016

- <u>file:///F:/M.PHIL/mphil/Articles,questionnaire/cultural%20diversity%20reviews/.%20</u>
   <u>1ManageA%20Comparative%20Study%20of%20Workforce</u>Aruna%20Deshpande.pdf
   retrieved on 03/08/2016
- <u>https://en.wikipedia.org/wiki/Accenture</u> seen on 26/07/2016
- file:///F:/M.PHIL/mphil/Articles,questionnaire/cultural%20diversity%20reviews/16M anaging%20a%20culturally%20diverse%20workforce.pdf retrieved on 03/08/2016