

Relationship among Human Resources Development and Training - The case of Mongolia

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Abstract: There are many researchers have been investigated the factors in the organization such as training and development. Also, there are several studies found that job satisfaction positively related to training and development. This study proposed to investigate the relationships among training and development. The results of the hypotheses test confirmed that training and development is positively related to organizational commitment.

Keywords: Human Resources, Development, Training, Management, Mongolia.

I. INTRODUCTION

Mongolia is a country with steady growth in the recent years, which has a population approximately 3.2 million. The Gross Domestic Product (GDP) per capita in Mongolia was around 4.026 USD 2018 (Asian Development Bank, 2018). Mongolia is landlocked country in East Asia and to the north border with Russian Federation and to the south border with People's Republic of China. After the democratic elections were held in 1992, Mongolia has been making the transition to a full market economy. The Mongolian private sector has grown considerably since 1991, now generally more than 90% of all enterprises are privately owned (Asian Development Bank, 2018). Especially, most of the companies in Mongolia are private service company which is playing as a main role in Mongolian's economy and impacts local people's life.

II. LITERATURE REVIEW

A. Training and Development

T&D are a planned process of the organization and it's missing something may be overall purpose and it helps to improve the performance of employees, skills, knowledge, effectiveness, and attitude of employees (Belhaj, 2000; Buckley & Caple, 2009; Ensour & Kharabsheh, 2015). Armstrong and Taylor (2014) defined that, the T&D activities are to help employees earn specific skills and knowledge and also to improve the performance of employees, a significant impact for the employee's development and personal career. Swanson (1995) described that T&D operation is systematically process of developing, to develop the employees "working knowledge" and "expertise" and to improving the job condition of employees. As reported by Sadler-Smith (2009) that "training is undoubtedly of value to individuals and organizations" and Akdere (2003) defined T&D process good opportunities for employees to improve self-awareness and to improve their performance of tasks. Training not only improves technical and not-technical skills of employees but it also can be used to increase employees' commitment to the organization (Owoyemi, Oyelere, Elegbede, & Gbajumo-Sheriff, 2011).). Moreover, T&D practices are very important for individuals and can be related to employees' attitudes, behaviors, performance and also organizational commitment. When organizations offer adequate opportunities of development for employees it has increase employees' level of personal

satisfaction (García-Bernal, Gargallo-Castel, Marzo- Navarro, & Rivera-Torres, 2005).

B. Standards of Training and Development

This variable includes three dimensions and this section explains those three dimensions. First, training motivation, second perceived co-workers support for training, third training benefits. All these dimensions have been found by (Bartlett, 2001; Noe & Wilk, 1993). "Training motivation is the level of motivation toward participation in training and development activities" (Bartlett, 2001, p. 340). As explained by Fleishman, Quaintance, and Broedling (1984), the employees' attitude is the most important part of the training process, it significantly impacts training activities and training outcomes. In addition, perceived support of training from co-workers is one of the important parts of training. Hence, the opinion and reaction other members have towards training will affect other team members, thus affecting their motivation towards the training. If a team is motivated into training the team will transmit this motivation to the other team members, leading of team members will be motivated to actively participate in the training and acquired all the necessary skills and content from the training and apply them in the daily work routine. As Newman, Thanacoody, and Hui (2011) reported that, it impact on affective commitment and also affect the participation rate of employees.

C. Theory related to T&D

Several theories correlate to training and development. First, the self-determination theory suggests that for one to be motivated and to function at an optimal level, and basic psychological needs must be met. The justification of the self-determination theory from learning aspects is that a strong sense of relatedness high positions trainees to take on challenges, set positive purposes, and create high anticipations that motivate them. A recent study by Martin and Dowson (2009) states that relatedness needs to provide a motivating power for developing social procedures and adapting to interpersonal situations.

Also, as determined by Kirkpatrick (1998), the employees and individuals who are trained to successfully adopt what they learn in a training program on to the job. It is importance to provide assist, rewards and incitements to them. He divided rewards two these are; intrinsic and extrinsic. Intrinsic refers to intrinsic inwards feelings of satisfaction, pride, and happiness and extrinsic refers to coming from the outside such as praise, freedom, and recognition, thus, rewards as being very significant for learning and commitment of employee being a train. .

Kraiger, McLinden, and Casper (2004) claimed that the T&D does not only have a significant impact on the employees or individuals, but also on the organization. In addition, there are many positive consequences that can be taking from T&D both at the employee and organizational levels as demonstrated in

the literature section. Hence, from the literature review section, the concept of organization T&D as realized by an employee can be viewed in diverse dimension. Especially, this study adopts the dimensions suggested by Bartlett (2001) on employee access to T&D (on-the-job or formal training).

III. METHODOLOGY

In terms of measuring the correlation between independent and dependent variables, a quantitative approach has been used to mediate the relationship. Data was collected through a survey questionnaire in form of numbers, which was later tested and verified the relationship between the variables by statistical methods. Regarding the fact that the hypothesis approach questions the validity of a hypothesis and gives more attention to the outcomes or influences among variables, this approach was considered to be more suitable and effective for this research. Throughout this research paper, many different reliable and valid information from the other researchers are used (Neuman, 2014). Additionally, this study all questionnaires offered in Mongolian language. In order to ensure that the scales and the translations are accurate and consistent and have good face validity, the peer review, expert review and back translation of the scales were conducted.

A. Data Collection

This research focused on private service companies in Mongolia because the majority of private companies in Mongolia are service company and those private service companies are playing as an important role in Mongolian economy and local people's life as mentioned in the background section. Therefore, the target population for this study were the full-time employees from three private service companies in Mongolia. The employees that are in charge of the private companies and HR managers helped with the distribution and collection of the questionnaires. This study covered private companies' employee branches in the private area because the private area is an important sector in Mongolia. The survey questionnaire participants were full-time employees of three private service companies; "Gyls LLC," Faro LLC," "Infinity Solutions LLC". The researcher data was collected from those three private companies with a total of 250 participants.

B. Statistical Analysis

Data was analysed with the Statistical Package for Social Sciences SPSS-PC Version 20.0 (IBM Corp, 2011). Twenty-nine initial variables were selected based on their competence to clarify the livelihood of pastoral families (Annex 2.2). Households of similar livelihood strategies were identified by subjecting the initial 29 variables to a Categorical Principal Component Analysis (CATPCA), in order to explore variable importance and interdependencies (Dossa et al., 2011). The main advantage of CATPCA is the simultaneous consideration of multiple categorical and continuous variables in one analysis and the ability to determine nonlinear relationships between variables. For the selection of the most important explanatory variables, a component loading >0.5 was set and assigned variables were retained for subsequent two-step-cluster analysis. The number of fixed clusters was determined based on the Bayesian information criterion (BIC).

C. Measurements

The research instrument used a self-report survey questionnaire. The participants chose the best answer according to their feelings and attitudes. This instrument had a total of (57) items, and divided into four sections, which were:

T&D (Bartlett, 2001), Job Satisfaction (Hackman & Oldham, 1976), Organizational Commitment (Allen & Meyer, 1990), Demographic section. This section of the study used different scale items from different researchers' questionnaire and each scale items from the work of previous researchers. The survey questionnaire part from 1 to 3 used a 5-point Likert scale items questionnaire, respondents were able to evaluate each item from "strongly agree to strongly disagree." Also, last part demographic section provided descriptive information of participants and included respondent's gender, age, tenure.

D. Training & Development

This section of the study used a total of 12 scales items by (Bartlett, 2001; Noe & Wilk 1993). This survey questionnaire included three dimensions which are; training motivation, perceived training support from co-workers, benefits of training. Also, each scale item had a 5- point Likert scale item, for example, questions table had chosen section they 1 (Strongly Disagree) to 5 (Strongly agree) and a sample item is "my manager makes sure I get the training I needed to remain in the organization and be effective in my job". Each dimension initial consistency and reliability were as follows; Training motivation with 0.87, perceived training support from co-workers with 0.83, benefits of training with 0.82 (Noe & Wilk, 1993; Tharenou & Conroy, 1994).

E. Reliability and Validity Analysis

Peer review, pilot test and confirmatory factor analysis were used to test the validity and reliability of the questionnaire ensuring that the questionnaire being used in this study is valid and reliable to conduct further. Based on the results of the pilot study, the researcher proceeds to make the necessary changes, increasing the credibility and reliability of the research instrument. For this study the pilot test consists of 30 participants. A pilot study helps the researcher to detect any problems or deficiencies in the design of a research instrument before proceeding to the formal study (McBurney & White, 2010).

F. Data Analysis

After collecting the data, the data was coded by numerical sequences and analyzed using the Statistical Package for the Social Sciences (SPSS) version 23 in order to determine whether or not there is a statistically significant relationship between each of the 2 variables, which are T&D. Descriptive analysis was performed along with reliability analysis, correlation analysis, confirmatory analysis and linear regression and Hierarchical regression analysis. Firstly, the descriptive analysis was conducted to describe the arbitrary demographic of this study, which expected to explain the standard deviation and other distribution of the data. Secondly, reliability analysis was performed in order to find the reliability of the questionnaire used showing the consistency within the study. Thirdly, correlation analysis was chosen to measure the relationship between three variables, following with the fourth analysis, which is confirmatory analysis. The confirmatory analysis was utilized to find the validity, because if the result did not find to be valid, it could mean that the result was not meaningful to the study. Lastly, linear and Hierarchical regression analysis was used to analyze the mediating effect as hypothesized previously.

G. Correlation Analysis

The result of the correlation analysis shows that control variable age has a strong negative correlation with tenure ($r = -.163^{**}$, $p < 0.01$). This demonstrated that younger aged

employees have short tenure within the company. Also, age has negative correlation with job satisfaction ($r = -.045, p < .0.01$) and also with organizational commitment ($r = -.108, p < .0.01$). This indicated that older ages employees have not good satisfaction in the workplace and their commitment are not sustainable in the company.

DISCUSSION

After an analysis of the findings, the researcher suggest that Mongolian private companies need to consider on the relationship among those three variables which are T&D, organizational commitment, job satisfaction and also, those fields may impact employees' attitude, performance, and outcome of the companies. Thereby, the companies can implement training activities which would help to increase worker's commitment and satisfaction can be provide a better performance and it can affect the success of the company. This research recommended that this topic is very important to the organization and human resource field in Mongolia. Therefore, based on this study provide several recommendations and suggestions below.

Firstly, it would be interesting to execute a similar study on another sector, or country with similar characteristics like a developing country because they are cultural differences between countries, also, cultural differences between companies. Thereby, it also can study with new approaches such as tentative and longitudinal designs.

Secondly, the researcher suggests to investigate other mediating roles or moderating roles on the relationship between independent and dependent variables of this study, and also, describing which mediators or moderators are allowed T&D become higher levels and stronger influence to employee commitment or other employee outcomes. Moreover, future researches also can examine a new path of the dependent variable with a new approach in Training and development area.

Thirdly, future researches need to consider a larger number of sample population because this study only collected a middle size in three companies which represented the private companies in Mongolia. Additionally, who researcher would investigate this field, need to consider on the main sector and other outcomes are the major concepts of the market.

CONCLUSION

Based on the study, it proposed that the perceptions among Mongolian companies including T&D, organizational commitment, and job satisfaction. Moreover, the main purpose of this study tends to investigate the relationship among T&D, organizational commitment, and job satisfactions, especially investigating job satisfaction as a mediating effect between T&D and organizational commitment within those private companies in Mongolia. The overall results indicated the findings and discussions of this study, it illustrated the relationships among three main variables are supported. So, the overall hypotheses result of all variables within in the private companies in Mongolia are reasonable and supported. For more details, the summary of the relationships among three variables are reported below. Based on the results and findings,

it reported that T&D had a strongly positive effect to organizational commitment. According to the hypotheses results, it confirmed that the employees in private companies in Mongolia have a good commitment when they received more T&D activities from their companies because these factors are the basic activity for improving themselves. Also, T&D training in terms of motivation was positively related to organizational commitment and the relationship is a substantial impact. It is showing that the employees' motivation is stimulated during the training activities and they feel enjoy and want to working in the company. In addition, T&D training in terms of perceived support from co-workers, it has a positive relationship with organizational commitment. The findings of this study described that perceived support of training from co-workers is positively affected employee's commitment. Additionally, the last dimension of T&D, the benefits of training, it has a positive relationship within organizational commitment.

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