



UNIVERSITI PUTRA MALAYSIA

**THE IMPLEMENTATION OF TRAINING NEEDS ASSESSMENT
AMONG TRAINING MANAGERS IN SELECTED PRIVATE
ORGANISATIONS IN MALAYSIA**

AHMAD RAJI BIN YAAKUB

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ORGANISATIONS IN MALAYSIA**

By

AHMAD RAJI BIN YAAKUB

**Project Paper Submitted in Partial Fulfilment of the Requirement for
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DECEMBER 1996

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Faculty : Centre For Extension and Continuing Education

This study was designed to determine the extent to which training managers in selected private organisations in Malaysia have adopted the training needs assessment steps or procedures that have been prescribed by experts when conducting training needs assessment for their organisation. It was also designed to identify factors associated with the adoption of the training needs assessment steps or procedures.

Data for this study were solicited from 24 respondents through survey using mailed questionnaires. The respondents comprised of training and human resource development managers and executives from various industries, including manufacturing, transport, trading,

investment, and construction. Most of the respondents have conducted training needs assessment for their organisation.

This study revealed that the level of adoption of the organisational training needs assessment procedures among the training managers in the selected organisations is moderately high. However, the level of adoption of the occupational and individual training needs assessment is lower. Most training managers are using survey or interview as a method to solicit information for training needs assessment purposes. Job analysis method is occasionally used in conducting training needs assessment while the measurement of the knowledge and skills of the individuals is seldom done.

Based on the literature review, there are three major factors associated with the adoption of the training needs assessment procedures; (i) knowledge about each training needs assessment procedures, (ii) perception of the practicality of each training needs assessment procedures, and (iii) the support of the management. This study found that there was a significant relationship between the support by the management and the adoption of the training needs assessment steps and procedures in an organisation. The relationship between adoption of the training needs assessment procedures and the other two factors, however, were found not to be significant.

Abstrak projek penyelidikan yang dikemukakan kepada senat
Universiti Pertanian Malaysia sebagai memenuhi sebahagian daripada
keperluan untuk mendapatkan Ijazah Sarjana Sains

**PELAKSANAAN PENILAIAN KEPERLUAN LATIHAN
DI KALANGAN PENGURUS LATIHAN DI BEBERAPA
ORGANISASI SWASTA DI MALAYSIA**

Oleh

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DISEMBER 1996

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Kajian ini telah dirangka untuk menentukan sejauhmana para pengurus latihan di beberapa organisasi swasta terpilih menerima guna prosedur-prosedur atau langkah-langkah pengenalpastian keperluan latihan sepertimana yang telah dikemukakan oleh pakar-pakar. Ia juga bertujuan mengenalpasti faktor-faktor yang berkaitan dengan penerimaangunaan prosedur atau langkah tersebut dalam organisasi.

Data untuk kajian ini telah didapati daripada 24 responden melalui tinjauan menggunakan borang soal selidik yang telah dihantar melalui pos. Para responden terdiri daripada pengurus dan eksekutif latihan

dan pembangunan tenaga manusia dari beberapa industri, termasuk perkilangan, pengangkutan, perdagangan, pelaburan dan pembinaan. Semua responden adalah bertanggungjawab dalam menguruskan latihan dalam organisasi mereka, di mana sebahagian daripada tugas mereka adalah mengenalpasti dan menganalisis keperluan latihan.

Kajian ini telah mendedahkan bahawa tahap penerimaangunaan prosedur analisis keperluan latihan di kalangan para pengurus di peringkat organisasi adalah agak tinggi. Walaubagaimanapun, tahap penerimaangunaan di peringkat pekerjaan dan individu adalah lebih rendah. Kebanyakan pengurus latihan menggunakan soalselidik dan temubual sebagai metode pengumpulan data untuk tujuan analisis keperluan latihan. Analisis kerja dan pengukuran ilmu serta kemahiran pekerja kadang-kadang digunakan sebagai kaedah mengumpul dan menganalisis data untuk mengenalpasti keperluan latihan.

Berdasarkan kajian terhadap bahan bertulis, terdapat tiga faktor berkaitan dengan penerimgunaan prosedur mengenalpasti keperluan latihan dalam organisasi; (1) pengetahuan tentang prosedur berkenaan, (2) tanggapan terhadap boleh dilaksana prosedur tersebut dalam konteks organisasi mereka, dan (3) sokongan dari pengurusan. Kajian ini mendapati perkaitan di antara penerima-gunaan dan sokongan pengurusan adalah kuat dan bermakna. Tetapi, perkaitan di antara penerimgunaan dan dua faktor yang lain adalah tidak bermakna. Ini bermaksud sokongan pengurusan adalah penting bagi menjayakan pelaksanaan analisis keperluan latihan dalam organisasi.

CHAPTER I

INTRODUCTION

Improving skills and knowledge of the workforce through training is one of the most popular human resource management activities and important agenda in many private and public organisations in Malaysia as well in other parts of the developed and developing countries. In 1995, more than US\$ 52 billion was budgeted by organizations in USA for training their staff which was a nine-percent increase from the previous year (Training Magazine, 1995). In Malaysia, the human resource development fund (HRDF) grew to over RM 88 million in less than two years (Economic Report, 1994/95).

There are many factors why training has become more popular and why more organisations are providing training for their staff. One of the reasons is that the organisations have realised that training can help boost confidence, improve work quality and productivity, as well as improve the morale and loyalty of their staff. (Bird, 1991)

With the prevailing employment situation in Malaysia and the competitive global market, training has also been instrumental in coping with the shortage of skilled labour to improve the productivity of the available staff. In some organisations, training is conducted because there was a request or instruction from the top management who feels that training is good for his people and his organisation.



In Malaysia, organisations are required to train their people with the enforcement of the Human Resource Development Act 1992 in which employers, particularly in the manufacturing and service industry, have to contribute one percent levy of their staff cost annually to Human Resource Development Fund for training purposes (Human Resource Development Act, 1992). In addition, the incentives given by the government for organisations has also helped to promote training.

However, with the extensive training conducted and million of ringgits spent on training, there is a question that should be answered by the organisations that have spent so much on training. The question is whether they have spent their money on the right training for the right people at the right time in line with their organisational needs. If the answer is yes, then all the money, energy and time used in training can be considered as good investment and beneficial.

But how can an organisation be sure that all training programmes that they have conducted were the training needed by their people to improve their job and organisational performance, if there was no proper analysis of training needs conducted before the programme.

Training needs assessment is considered the first and most important step by almost all experts on training management and design in designing and developing a successful training programme. Training needs analysis involves the process of information gathering and analysis to identify the right training to be conducted and the right people to be trained within the context of the their job and organisation.

According to Abella (1986), a relevant, accurate, and complete needs analysis ensure that the programme will be useful to participants and help them improve their performance. Nadler (1982) reminds training designers that rushing ahead to designing a programme without carefully, sufficiently and fully clarifying the need for training is courting disaster. Wills (1993) emphasized that initially, it might be quicker and easier to forget about analysing the training needs of employees, but this will ultimately lead to frustration and inefficiency.

Research Problem

There is no doubt that training needs assessment is a very important step in designing a successful training programme. Experts and specialists in training management and design have prescribed various approaches, strategies or methodologies as well as developed tools for conducting an effective training needs assessment. But, the questions are (1) what are the procedures for conducting effective training needs assessments in an organisation, (2) to what extent do training managers in various organisations in Malaysia have adopted the training needs assessment procedures that have been prescribed by experts in conducting training needs assessment for their organisation, and (3) what are the factors associated with the level of adoption of the procedures. Based on the literature reviewed, there was no study that has been conducted to answer to the questions raised especially in the context of Malaysia.

Research Objectives

The objectives of this study were as follows :

1. To develop a generic training needs assessment model based on a content analysis of various training needs assessment models which were developed by many experts in training management.
2. To determine the extent to which training managers in the selected private organizations have adopted the training needs assessment procedures which was based on the generic model in conducting training needs assessment for their organisation.
3. To identify factors associated with the adoption of the training needs assessment procedures which was based on the generic model in conducting training needs assessment for their organisation.

Significance of the Study

There are many reasons why this study is very important especially in the context of managing training in Malaysia. Human resource development is now given top priority by the government of Malaysia as one of the strategies to achieve Vision 2020. More budgets have been and will be allocated for training or human resource development by government bodies as well as private organisations. The level of professionalism of the people in charge of training must be enhanced to ensure that all the training budgets are utilised effectively. The results of this study will have implications on the level of professionalism of training managers in selected organizations in Malaysia particularly in the implementation of one of their important roles, that is assessing training needs.

The results of this study will certainly be useful in designing necessary strategies to improve implementation of training needs assessment in an organisation. With a more effective training needs assessment, the organisations should be able to ensure a higher return on their investment in training, through conducting the right training for the right staff in line with the organisational requirements.

Scope of the Study

The scope of this study was limited to the implementation of the training needs assessment among training managers in selected Malaysian organisations. This study precluded other aspects of training



management or training design such as objective setting, programme planning, training delivery or training evaluation.

For the purpose of comparison, with the limitation of time and sources on this subject, the aspects or critical steps in assessing training needs was based on a synthesized approach built upon the review of several books, manuals as well as research journals on training management and design. Thus, other critical aspects that might be covered by other authors, not listed in the bibliography, was not included in this study.

Key Terms and Concepts

The definitions of the key terms and concepts used in this study are as follows:

1. Training

A structured programme designed to provide opportunity for an individual to acquire knowledge, develop skills and modify attitude relevant to his job in an organisation

2. Training Needs Assessment

The first step in training design in which the training designer assess whether training is needed, whether training is the viable solution to a problem, the knowledge, skills and attitude change needed, and who should be trained.

3. Training and Human Resource Development Manager

A person responsible to plan, implement and administer training function in an organisation. It includes (i) Training/Human Resource Development Executive (ii) Human Resource/Personnel Executive (iii) Training Specialist/Trainer (iv) Human Resource/Personnel Manager.

4. Training Needs Assessment Procedure

Series or collection of actions, steps or things to do in conducting training needs assessment from start to finish.

CHAPTER II

PART 1: REVIEW OF LITERATURE

In this part of the chapter, the concept of training and training needs assessment will be elucidated. The core content of this part is an account of training needs assessment approaches and procedures and factors associated with the implementation of training needs assessment based on the review of the research work and writings in the areas of training and development.

Definition of Training

There are many definitions of training given by authors and experts on training design and management. Nadler (1982) considered training as a programme designed to provide an opportunity for the learner to acquire knowledge, skills, or attitude related to his present job. Wills (1993, pp 9) on the other hand defined training as " the transfer of defined and measurable knowledge and skills ". In his definition, Wills exclude attitude as the domain of training because, apart from being incredibly difficult to measure, attitude is primarily determined by the environment and culture of a business.

Another definition given by Schleger (1985) was that " training is the acquisition of the technology which permits employees to perform to



standard ". Camp (1986) advocated that training is an organisational activity planned in response to identified learning needs with the attempt to further the goals of an organisation while simultaneously providing an opportunity for individual employees to learn and grow.

Based on the definitions given by the authors, training can be defined as an organised programme created to provide an opportunity for individuals to acquire knowledge, develop skills, or modify attitude necessary for them to perform their job more effectively. Training includes among others on-the-job training, classroom training, laboratory training, workshops, courses, and attachments .

Importance of Training in Organisation

Training is an important activity in many organisations. Organisations, government agencies and industries alike, are allocating more budget for training their staff. According to Training Magazine's Industry Report, in 1995, more than US\$ 52 billion was budgeted by organisations in USA for training their staff which was a nine-percent increase from the previous year. In a comprehensive study (Saiyadain and Juhary Ali, 1995), it was found that as many as 82% of the organisations sponsored their managers for training, including foreign training, and spent 4.65% of the managerial payroll on training of managers.

There are many reasons why training is very important for most organisations today. One reason is that training helps new employees master their job faster. When a person joins an organisation, he

normally lacks knowledge, skills and experience to do his job properly. With systematic training, the person will have an opportunity to acquire the knowledge and skills faster compared to learning on the job which is normally slower and more costly.

Training helps to improve the individual and organisational performance. When there is any performance problem at the organisational or individual level, a possible cause is lack of knowledge and skills. Then, in this case, training will be useful to solve the performance problem.

Training helps employees to cope with changes. When there are changes in the work procedure, technology, policy and transfer of a person from one place to another, new knowledge and skills are needed. Again, training can be used to provide the necessary knowledge and skills for the new job or technology.

Training also improves employee productivity and loyalty. According to Bird (1991), training helps to reduce mistakes and wastage, enhances morale of the people in the organisation and make the employees more productive. He also adds that training is one of the ways to reduce the costly early resignation problem.

In Malaysia, training is compulsory for employees in the manufacturing, transport and hotel industry with the enforcement of the Malaysian Human Resource Development Act 1992. Under the Act, all companies in the manufacturing, transport, and service industry which have more than 200 employees must make a monthly

contribution equivalent to one percent of their total monthly staff cost to the Human Resource Development Fund. To utilise their contribution the companies must conduct training for the employees. With 3,417 organizations in manufacturing sector contributing 1% of their monthly payroll, the fund grew to over RM 88 million in less than two years (Economic Report, 1994/95).

Importance of Training Needs Assessment

Training can only be beneficial if it is successful. There are many factors for training success or failure. Apart from lacking of management support, trainee's attitude and follow-up, one of the biggest reasons for training failure is when wrong training is conducted for the wrong trainee at the wrong time. This is where training needs assessment play the important part to ensure that training is successful.

There are many definitions on training needs as given by many authors and experts on training design and management. According to Nadler (1982, pp 19) , training needs exist whenever there are assurance that there is an agreed upon problem, that training is the response to that problem, and the response will not prove more costly than leaving the problem unsolved. Another definition by Morrison (1976, pp 9-1) is that training needs may be described as existing at any time an actual condition differs from a desired condition in the human, or people, aspect of organisation performance or, more specifically, when a change in present human knowledges, skills, or attitudes can bring out the desired performance.

Laird (1985, pp 46) also defines training needs as a deficiency of knowledge or skills required to perform an assigned task satisfactorily. However, Shepherd disagreed with the term " training needs " which is, according to him, misleading. On the other hand, he proposed using the term "learning needs" which also means " knowledge and skill deficiency possesses by an individual or group of people which relates to the gap between the actual work standards performed (or not able to be performed) and the desired level of work standards."

Based on the above definitions, training needs can be defined as a situation in which an organisational, group or individual performance problem can possibly and effectively be rectified or solved through providing knowledge, developing skills, or modifying the attitude required of the people or persons involved or related to the problem. In other words, training needs only arise whenever there is a gap between the actual and expected performance, and training can be assured to be an effective and possible solution to the problem.

There are many types of training needs. Shepherd categorized training needs into two categories, that is (i) critical training needs which means training needs that are critical to quality of life and human safety, to organisational survival, to organisational growth and development, to economic well-being, or to human resources learning, growth and development; (ii) functional training needs which is more immediate, short term, and related to the day to day performance of the learner on the job.

Camp (1986) categorised training needs into reactive training needs and proactive training needs. Reactive training needs occur when the perceived performance deficiency is a discrepancy between perceived and expected performance for the employee's current job. Proactive training needs, on the other hand, is a training need that is based on the perception that current job behaviour reflects an inability to meet future standards.

Training needs assessment or simply TNA is a systematic process conducted prior to designing a training program which involves determining training needs at organisational, operational or individual level, identifying what kind of training is needed, and finally identifying who are the individuals that need to be trained or re-trained. Training needs assessment is also called Up-Front Analysis, Front-End analysis, or Training Need Analysis by some author, but they all have almost the same meaning.

Camp (1986) described training needs assessment as a process of examination, diagnosis or analysis of the perceived performance deficiencies to identify the various source(s) and finally specify the possible (training and/or non-training) solutions to the problems. Wills (1993) simply described the training needs assessment as the process of identification and evaluation of training needs. In the Model developed by the AT & T, training needs assessment is named front-end analysis which was defined as a systematic analysis of performance discrepancy, done prior to designing training programme.

Abella (1986, pp 3) defined training needs assessment as a " process of gathering and analysis of information to find out about the people to be trained and the types of training they need ". Che Nora (1994) defines training needs assessment as " an examination of the organisation's present and expected operations and manpower necessary to carry them out, in order to identify the numbers and categories of staff ready to be trained or retrained, to identify appropriate areas where training can contribute to improvement of job performance, quality, productivity and to suggest training programme which aim at educating or enhancing competencies of employees as required at organisational, operational and individual level ".

Training needs assessment is important because of the following reasons:

(1) *Information for Designing Successful Programmes*

Abella (1986,) said that training needs assessment is important because it provides the information a trainer need to ensure that the programme designed will be useful to participants and help them to improve their performance. Philips (1991) said that needs analysis reveal information necessary to develop programme objectives - what must be accomplished with the programme.