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## The Relationship between Reward and Transfer of Training among Employees

Ilyasu Shiyabade Najeemdeen, Taofik Abidemi Bello

University Utara Malaysia, Sintok Kedah.

Abdulrahman JG Mohmmmed

School of enterprenurship and management technology, FUT Minna.

### ABSTRACT

Transfer of training is important to an organization. This is because organization has devoted lot of money for sending their employees for training in order to increase the employees' knowledge, skills and abilities. From the training they attended, it is essential for the employees to apply the learned knowledge into the workplace. The purpose of this study is to examine reward on influence the transfer of training at XYZ Malaysia.

A cross-sectional study was chosen for this research. Data was gathered through questionnaire survey of employees (n=252). Quantitative methodology has been chosen for this study because it is to examine the relationships among reward on the transfer of training among employees in XYZ Malaysia. Self-administered questionnaires were adapted from various sources and consist of variables related to transfer of training, and peer relationships used in data collection. Data gathered were analysed using Statistical Packages for Social Sciences, version 22.0 (SPSS). The results showed that rewards had significant relationship with transfer of training.

**Keywords:** *Transfer of training, Reward, Employees*

### 1. INTRODUCTION

The XYZ Malaysia needs training and development programs to achieve their goals as these goals represent the organisation plans. The continuous learning is crucial in XYZ because the transfer of information and skills can develop the organisation. Measuring the real success of a training and development program depends on the level of knowledge, skills and behaviour which can be acquired and implemented to increase productivity, enhance the works' efficiency and achieve the goals of the organisation (Sanghi, 2016).

Training has witnessed a lot of progress in its methods and targets (Haddouchane, Bakkali, Ajana and Gassemi, 2017). It plays a major role in the development of firms and organisations since training programs are considered the core of success in organisations. These programs are also considered investments in the development of organisations because they contribute to the improvement in the quality and quantity of their products.

Training and development program is the crucial factor in increasing the staff productivity. Shirazi

(2014) confirms that training does not cost much compared with the outcomes where ten percent (10%) of the expenses for training can lead to the positive training. This is because training is aimed at preserving and improving the current working performances, while the development programs are aimed at enhancing the skills of the workers. Training is one of the continuous learning processes which has been designed to change attitude, knowledge and skills of the staff members so that their performances will increase (Elnaga and Imran, 2013).

The training programs are considered one of the factors that contribute to improve the progress of an organisation. Many companies and organisations devote their efforts to train employees with new knowledge and skills of their employees. It is expected from employees who are being sent for training to come back and train other employees as well as implement changes and improve their performance.

Indeed, organisations need to spend a lot of money to facilitate the process of teaching employees new skills and knowledge. Undoubtedly, many organisations have realized the importance of the training in increasing the productivity. Therefore, they allocate a large amount of money in the training programs.

The Malaysian government realizes the importance of training and development of human resources for the nation's development. The government implements a Human Resource Development Fund (HRDF) Act to serve mandatory statutory requirement for any qualified training provider to give training to their workers (Pilz, 2016). The government also increased the allocated budget for training from RM1.662 billion in the Seven Malaysia Plan to RM4.0 billion in the Eight Malaysia Plan (Shakar and Aslam, 2015). The Public Service Department spent RM4.9 billion to train public sector employees to achieve a knowledge-based workforce in 2017 (Professional Bulletin, 2017). Besides spending certain



allocation for general education, Ministry of Education also tries to upgrade all Technical Vocational subjects and increase the quality of graduates through Technical and Vocational Education Training Institutions (TVET) programs. The government has prepared 100 TVET Excellent Students Scholarships worth RM4.5 million. The government also created the National Rail Centre of Excellence in a bid to support skilled workers in the rail industry. The centre will improve its training accreditation, supervise and coordinate quality assurance.

## LITERATURE REVIEW

### Transfer of training

Training transfer comprises of the orientation of knowledge, trained expertise and conducts from the training settings to the workplace environment as well as the sustainment of trained assistances, conducts and the length of programs (Vikas, 2016). Training transfer is one of the important elements in improving training efficiency standards and increasing organisation performance (Miller, 2016).

Transfer of training is defined by Xiao (1996) as the employee's ability to develop the cultured skills in training and relating it into the job which resulted to work more proficiently. Several human resource researchers (Jehanzeb, Hamid & Rasheed, 2015) found that transfer of training has been solitary of the basic features in the training effectiveness that will encourage the employees as well as the organisation performance. They deliberate on the issues of training effectiveness and consider that there are many factors which affect transfer of training.

Awais Bhatti, Ali, Isa, Faizal and Mohamed Battour (2014) indicate that factors such as rewards, supervision and peer relationships affect the transfer of training at the workplace. Training transfer means that beginners will be able to "transfer" their knowledge and skills taught in a training program and apply them into their careers.

### REWARDS

Rewards are generally accepted by organisations as a vital factor in encouraging employees. Organisations all over the world continuously look for innovative ways to make their rewards more meaningful to their workers so that the latter can endure to constrain themselves to their jobs and to the organisation (Mattarelli & Tagliaventi 2015).

From the management perspective, motivation has always been an essential factor in employee performance (Barrick, Thurgood, Smith and Court right, 2015). Rewards are frequently used as an encouragement to accomplish greater effort when it comes to individual performance, to encourage and engage workers to strive beyond work tasks. According to Koen, Asada, Nixon, Rahuman and Arif (2017), reward is an advantage achieved for performing a task, rendering a service. In general, the major reward is a pay. Beside pay, common rewards package in Malaysia are bonus, pension scheme, pay insurance, company cars, loans and share options.

Furthermore, Foss, Pedersen, Reinholt, Fosgaard and Stea, (2015) view reward as a major instrument that training organisation for workers. It also used to attract employee in the organisations. Besides, it is used to encourage the workers to attend their work without any absences. The rewards system similarly embraces all the components which are the route of decision making and procedures by providing actions which contains the substance of reward and welfares to employees. Cash being crucial factor which encourages the workers whereby there is no other motivator or inspiration that can yield above the place for cash as it has been more imperative to each employee because money influences the workers compared to other factors (Thibault Landry, Forest, Zigarmi, Houson & Boucher 2017).

Needless to say, there are no workers who are willing to work without a charge. Employees' impression is that they need to accept a reasonable salary and benefit as a token for completing a task at the end of their job (Geary, Aguzzoli and Lengler 2017). The fact of the matter is that the authorities preserve and inspire individuals towards better performance. However, more challenges, responsibility, and recognition as well as more autonomy or budget are also types of reward that influence the entrepreneurial behaviours of employees (Nelima, 2017). As pointed out by Elnaga and Imran (2014), management must be willing to pay their employees as entrepreneurs if they want to encourage their employees to act like entrepreneurs.

### Relationship between Rewards and Transfer of Training

Bernard (2017) considers reward scheme as a major instrument that has a relationship with organisational training. It is also used to attract employees in organisations and also to encourage workers to work together by minimizing problems at workplace (Foss, Pedersen, Reinholt, Fosgaard & Stea, 2015). When differences are resolved



amicably, achievement can be successfully gained.

Moreover, Ng and Ahmad (2017) argued that the increased in transfer of training are increased performance which leads to reward. They also suggest that deliberate rewards be given to employees who play an important role in organisations (Sivaranjini, 2015). Increased performance has also become a main factor (reward) for an organisation to motivate, attract and retain talented individuals. Futhermore, rewards can be an instrumental tool to influence or encourage individuals to enhance transfer of training (Osabiya, 2015).

Additionally, Mabaso (2015) suggests that an effective reward helps an organisation to attain the goals, objectives by retaining capable employees. The effectiveness of effort can be maintained when the management rewards are given to encourage employees to participate in training by themselves Mandondo (2017). On the other hand, rewards increase employees' motivation towards work, pleasure, superiority of the job, decreased absences and turnover (Lujuo, 2014). Therefore, on the basis of the above discussion about rewards and transfer of training, the following hypothesis is proposed:

H1: There is a positive relationship between rewards and the transfer of training in the organisation.

Conceptual model



**METHODOGY**

The methodological phases of this research includes the research design, population of the study, sampling size and sampling technique and measurement of variables, data collection procedure, technique of data analysis conducted. Quantitative research comprises of gathering data information that can be measured and will be exposed to statistical analysis in the direction to maintain alternative knowledge entitlements” (Bernard, 2017).

Quantitative research method is faster and easier to conduct and generalize the results. The advantage of using questionnaire is that individuals are more authentic while answering the questionnaires due to their responses are undisclosed, however the negatives is that minority of the respondents who collect the questionnaires did not return and those who do, might not be representative of the originally selected sample (Gebrehiwot, 2015).

This research involves employees from agricultural industry at XYZ Malaysia. The total of employees of this organization is 2,788 employees as of 31 Disember 2017 which includes employees from eighteen (18) department. The survey was conducted to all permanent employees only.

For the population of 2,788 employees, the sample size recommended by Krejcie and Morgan (1970) as cited by Sekaran (2010) is 338 employees. The selected group for sampling comprised of three job categories which are professional and management, and supporting staff. Total of employees in XYZ Malaysia and 344 questionnaires was distributed.



*Sample Size based on Stratified Random Sampling*

Category	Total	Percentage of Population	Total of sample Population
Professional and management	265	10	91
Supporting staffing	2,523	90	253
	2,788	100	344

**Results**

From the regression result, the value of  $R^2$  was 0.063 meaning that the independent variable (peer relationships) explaining 6.3% variability of the transfer of training. From the regression analysis, it was found that supervision ( $\beta=0.251$ ,  $p \leq 0.05$ ) and have a significant influence on transfer of training.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.251 <sup>a</sup>	.063	.059	.53928

a. Predictors: (Constant), RWD

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.799	.258		10.839	.000
	RWD	.276	.067	.251	4.108	.000

a. Dependent Variable: TOT

**Discussion**

This research examines the relationship between reward and transfer of training among XYZ employees. It aims to identify the influence of rewards on transfer of training.

The results show that rewards have significant relationship on transfer of training ( $\beta= 0.251$ ,  $t= 4.108$ ,  $p \leq 0.05$ ).

Rewards are significant on transfer of training and play a vital role in the XYZ involved in this study. It is the most influenced variable on training transfer. From the findings, rewards are considered important as an incentive to improve performance. Monthly salary, being an important component of rewards, are given out based on individual levels of proficiency predetermined by management as the basis of their salaries for a year rather than performance. From the salary range RM2, 000 to RM4, 000 is the highest among age 30-39 years. Moreover, the rewards the employees received are considered as a promotion for improved performance by using knowledge, skills, and ability gained in the training setting.

These findings are in line with the study confirming that there is a significant relationship to transfer of training. Cohen (2016) reveals that a lack of rewards creates an unfriendly environment that eventually reduces employees' work struggles and affects the careers. Becker (2016) states that rewards are impressive in stimulating positive approaches and behaviours among employees. Likewise, in a survey led by Thiruchelvan (2017) involving 149 organisations in Malaysia, the employees remain in their workplace when they are pleased with the service rewards that they have had. Based on the discussions above, the researcher predicts that when employees are given appropriate measures of rewards, employees will improve their work performance. Further, they will become more engaged workers with positive attitudes in their organisations. The findings of this study also show that appreciation for rewards affect the transfer of training.

The results are also supported by Awais Bhatti, (2014) who pointed out that rewards play a vital role in keeping the workers away from any possible demotivation experiences. The employers in



organisations can use transfer of training to show to their employees what are expected from them (efforts, approaches and behaviours). In other words, the rewards can be used by the organisation as a tool to drive employees towards their improve efforts and behaviours as well as to eradicate any unwanted behaviours (Bammens, 2016). By using an appropriate reward, it helps organisations to make their employees becomes better and more engaged. However, the lack of rewards may lead to de-motivation in the organisations studied by Osabiya (2015).

## Conclusion and Recommendations

In conclusion, the paper as achieved its research objective which is the relationship between reward and transfer of training. From regression analysis, the findings indicate a positive relationship between reward and transfer of training.

Among the recommendations are XXX as stakeholders need to increase the budget, XYZ Board Members needs to include the evaluation of training programs and XYZ needs to strengthen existing training policies and provide training need analysis for each employee

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