

Significance of Training and Development on Employee Turnover Intentions with special reference to “Bank Dhofar”

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ABSTRACT:

This research paper contains a research on the significance of training and development on employee turnover. The special reference is on Bank Dhofar which is one of the leading banks in Gulf, Sultanate of Oman. The employee turnover in Dhofar Bank is affected by the training and development of the workers in the organization. Dhofar Bank strives to retain its employees through constant training so as to reduce the turnover rate. As per the findings of the research, most of the respondents strongly agreed that training and development is a crucial aspect in employee turnover in Dhofar Bank. This is because it affects employee's attitude and productivity. Most of the people who participate in the research agreed that the rate of employee turnover in Dhofar Bank affected the attitude of the employees. Lack of training programs is one of the reasons for employee turnover in an organization. Reasons for employee turnover were ranked using weighted analysis from the first to the last as follows; lack of work perfection, lack of training, suitable training programs are not provided by the organization, because of work error the employee salary is declined, lack of confidence on work and difficulty to handle the work pressure. It is important for organizations to be concerned about the types of training programs provided in case they affect the retention of employees in the organization. Training and development reduces the rate of employee turnover in the organization.

Keywords: Training and Development, Employee Turnover, Employee Retaining and Productivity.

I. INTRODUCTION:

Employee turnover is the rate at which an organization reviews its employees, does any with those who are no longer needed in the company and hires those who have the skills required in the organization (Bhandari 2020). When an organization conducts an employee turnover, some of the employees are retained while others are fired. In some cases, the organization does away with the entire workforce and hires a new workforce. This happens when the organization feels that the entire workforce is not working towards achievement of the goals or when the direction of the organization changes and they have to hire a new workforce aligned with their objectives. The decision to retain or to fire an employee in an organization is determined by the relevance of the skills, knowledge and performance of the employee in the organization. When an employee's skills are outdated, they are replaced with employees who have the skills required to ensure the organization attains its goals and objectives. The human resource department conducts an employee appraisal to assess the performance of each employee in the organization. The performance of the employee is determined by the quantity of output, the quality of their work, their interpersonal skills as well as their skills, knowledge and experience on the roles and responsibilities they are assigned in the organization.

Training is conducted to ensure that the skills and knowledge of employees is improved. Consistency in training leads to employee development where they are able to apply what

they learn from the training in their duties and roles in the organization (Mohamad Nur Izzaty et al., 2020). When employees are trained, they are able to identify with the organization which helps attain improved employee commitment to the organization. This reduces the rate at which employee turnover is carried out in the organization since it is better for an organization when the employees are retained. Training and development increases the value of the employees since it equips them with skills and knowledge which they didn't have but is important in their line of work (Bhandari 2020). Training and development in an organization refers to the educational operations carried out within the organization with an intention of enhancing skills and knowledge of the workers (Mishra et al., 2014). Improvement of the skills and knowledge of employees can be achieved through providing instructions and information to the workers on how to conduct specific tasks. Training programs boosts employee satisfaction and also improves employee retention (Bhandari et al., 2020).

Training and development improves the attitude of the workers which in turn ensures that their productivity increases in Dhofar bank. The employee turnover in Dhofar Bank is affected by the training and development of the workers in the organization. Dhofar Bank strives to retain its employees through constant training so as to reduce the turnover rate. The training programs in Dhofar Bank are formulated by the human resource managers and different departments in the organization receives different training based on the job description of the department. All the workers receive a common training on issues which are general and don't affect only a single department in the organization. This ensures that that are aware of the trends in the market and their skills and knowledge remain relevant in the organization.

II. LITERATURE REVIEW:

The topic of research which is the significance of training and development in employee turnover. The significance of the study, the objectives and the problem statement are outlined as well as a brief description of training, development and employee turnover. The training and development plays a major role in the rate of employee turnover, researches that have been conducted earlier on the topic of research which shows how training and development affect employee retention in the organization. The organization provides information to the employees on how to conduct specific tasks and also how to

improve their performance while performing specific tasks (Larsen et al., 2017). The significance of training and development comprise of improving the safety and quality of products offered by the organization hence increasing their competitiveness in the market place which results to an increase in sales and market share of the organization (Ju et al., 2019). According to Landers (2017), employee turnover is the measurement of the employees who leave an organization during a given period of time, mostly a year. In the case of employee retention and recruitment, employee turnover is not good for the organization. Constantly recruiting a new employee is not good for the organization since it reduces the morale hence reducing productivity (Armstrong et al., 2018). A high employee turnover is an indication that there are underlying issues in the organization that need to be addressed. It is an indication that either there is a failure in the human resource department in the recruitment and selection process, the working environment is not conducive for the workers, the goals and the expectation from the employees is too high which the employees are not able to achieve or any other problem which may cause the increase in the rate at which the employees leave the organization and new employees are hired (Nabi et al., 2017). According to (Haugen et al., 2019), through the activities conducted for training and development of employees, the productivity of the organization is increases since the employees are equipped with skills to improve the quality of the products and methods to increase the output hence resulting to an increase in productivity. This in turn affects the profitability of the organization positively in the long run as a result of the increase in sales volume (Larsen et al., 2017). The organizational culture can also be improved through training of the new workers in the organization and also reminding the staff members of the core values and how they are expected to conduct their roles and responsibilities in the organization (Rodriguez et al., 2017). The initiative of training is taken by the management of an organization with an aim of ensuring that the employees are able to meet the present needs of the company (Haugen et al., 2019). According to Ziegler (2017), training and development is an important aspect of employee performance in an organization. Employees are only able to conduct their roles and responsibilities based on the skills and knowledge they have in their field of work (Bibi et al., 2018). The training program was for the assistant branch managers and it was formulated in accordance to the vision of the Bank which is to be

the best bank in the country in customer experience (Santhanam et al., 2017). The program focused on employee development as well as enhancing their skill-set. This was aimed at meeting the standards of the bank in terms of products and services provided to the customers (Armstrong et al., 2018). Kelley Walters (2017), training and development plays a major role in employee retention in an organization. This is because when the employees are trained and educated on how to carry out specific tasks in the organization, they are able to improve their performance and accomplish the vision and mission of the organization. According to Rahman (2017), the employee retention rate in an organization affects the corporate image of an organization. Organizations with a high employee retention rate are viewed to have a good working environment for employees and employees feel safe to work in the organization since they believe they won't lose their jobs (Santhanam et al., 2017). Organizations with a low retention rate are viewed to have a bad

working environment for the employees. Employees are reluctant to work in such organization since they have no assurance for their jobs (Bibi et al., 2018).

III. RESEARCH METHODOLOGY:

Quantitative method of research was used in this study. Quantitative research was preferred for this research since it helped collect adequate data which was later analyzed to find patterns and conclusions in regards to the topic of research.

The students of Business studies from University of Technology and Applied Sciences (HCT) took the sample from Bank Dhofar. Simple random sampling strategy was used where the respondents were chosen without using any specific criteria. This ensured that the conclusion drawn from the research was inclusive of the views of everyone in the population. Based on Sample Size Formula (Slovin's) researcher derived the sample Size.

$$\text{Slovin's Formula} = \frac{N}{N / (1 + Ne^2)}$$

Slovin's Formula provides the sample size (n) using the known population size (N) and the acceptable error value (e). Fill the N and e values into the formula $n = \frac{N}{1 + Ne^2}$. The resulting value of n equals the sample size to be used. The Eighty-Three (83) respondents were chosen to take part in the study. These respondents comprised of the managers, employees of Bank Dhofar in Ruwi, Muscat.

The methods used in data collection ensures that everyone was included those who refer talking were recorded and those who prefer writing filled the questionnaire forms. Data was then collected through a face to face interaction and online respondents, with the respondents and it was well stored in the forms and the recording devices for analysis. Secondary data was sourced from eBooks, journals, websites, articles and publications which were in the library and also those which were available online. The secondary data was sourced from the works of other researchers who had research on the topic or any topic which was related to the topic of study. For

this research work, the researcher used percentage analysis and correlation table for analysis the data.

IV. RESEARCH OBJECTIVES

1. To determine the significance of training and development in employee turnover in Dhofar bank in Oman
2. To determine the effect of employee attitude on the employee turnover in Dhofar bank in Oman.
3. To investigate the effect of training programs and employee turnover reasons in an organization.
4. To know the relationship between the training and development program and its impact on employee turnover in an organization.

V. RESULTS AND DISCUSSION:

As per the data analysis and discussion, the Demographic Variables of the Study the following table exhibits show the demographic data relating to the sample respondents of the survey.

4.1. Demographic Profile:

Sl.NO	Variables	Frequency	Percent	Comments
1.	Gender	47	57%	Female
2.	Experience	49	60%	1-3 Years
3.	Department	48	57%	Middle-level executives
4.	Education Level	55	66%	Bachelor
5.	Monthly Income	43	54%	700-1000 rials

Source: Primary data

The following below variables are discussed the Significant level of Training and Development programme towards Employee Turnover Intentions in Bank Dhofar.

4.2. Significant variables of training and development programme towards employee turnover:

Sl.NO	Variables	Frequency	Percent	Comments
1.	Satisfied with your training program	31	37%	Satisfied
2.	Increase Employee retention because training and development	54	65%	Strongly Agree
3.	Rate of employee turnover affects the attitude of employees	50	60%	Strongly Agree
4.	Attitude of employee affects the employee retention	49	59%	Strongly Agree
5.	Training and development effect the organisation productivity	59	71%	Strongly Agree
6.	Increase in productivity affect the employee turnover	34	41%	Strongly Agree
7.	Impact on productivity towards training & development and employee turnover	50	60%	Strongly Agree
8.	Trained employee have produce more productivity	52	63%	Strongly Agree
9.	Productivity can determine the rate of employee turnover	43	51%	Strongly Agree
10.	Lack of training programme one of the reason for employee turnover	47	55%	Strongly Agree
11.	Training programme can reduce the employee turnover	39	47%	Strongly Agree
12.	Effective training programme cause the low level of turnover	53	64%	Strongly Agree

Source: Primary data

For this study, the researchers have used the Weightage Average Analysis (WAA) for knowing the Weightage of various factors. Weightage average is a calculation that takes into account the varying degrees of importance of the numbers in a data set. In calculating a weighted average, each number in the data set is multiplied by a predetermined weight before the final

calculation is made. A Weightage average can be more accurate than a simple average in which all numbers in a data set are assigned an identical weight. Researcher used this analysis for identifying the Weightage of various employee benefits incurred based on training and development programmes by Bank Dhofar.

4.3. Weightage Average Analysis (WAA): During the training programme analysis the various employees benefits occurred by the Bank Dhofar.

Sl. No	Benefits	S.A	A	N	D.A	S.DA	Weightage	Ranks
1	Job oriented skill developed	43	30	4	6	0	83	
	Score (W*1)	215	120	12	12	0	359	10
2	Easy to do the work	38	33	9	3	0	83	
	Score (w*2)	190	165	27	6	0	388	1
3	More clarity on work process	50	28	2	3	0	83	
	Score (w*3)	250	112	6	6	0	374	6
4	Reduce on Time consumption in work process	40	38	3	1	2	83	
	Score w*4	200	152	9	2	2	365	9
5	Employee retention on the job	47	30	3	3	1	83	
	Score w*5	235	120	9	6	1	371	7
6	Work satisfaction increased	39	34	7	3	0	83	
	Score w*6	195	136	21	6	0	358	11
7	Employee satisfaction on job	55	25	3	0	0	83	
	Score w*7	275	100	9	0	0	384	2
8	Reduce the work error / failure	51	29	3	0	0	83	
	Score w*8	255	116	9	0	0	380	4
9	Problem solving skills	53	28	2	0	0	83	
	Score w*9	265	112	6	0	0	383	3
10	Employee involvement in work progress	52	26	5	0	0	83	
	Score w*10	260	104	15	0	0	379	5
11	Attain the work target	43	36	2	2	0	83	
	Score w*11	215	144	6	4	0	369	8

Source: Primary data

As per the Weightage of various factors, from the table above, the highest factor is the one which the respondents chose the most which is "Easy to do the Work" and it is ranked as 1 (first) with a score of (w*2) = 388 points. The second

factor in the rank is "Employee satisfaction on job" which has a score of (w*7) = 384 points. Rank 3 is "Problem solving Skills" with a score of (w*9) = 383 points.

4.4 Reasons for Employee turnover in Bank Dhofar with WAA- Analysis:

Sl.NO	Benefits	S.A	A	N	D.A	S.DA	Weightage	Ranks
1	Lack of training program	60	21	2	0	0	83	
	Score (w*1)	300	84	6	0	0	390	2
2	Lack of work perfection	5	2	3	53	20	83	
	Score (w*2)	250	8	9	106	20	393	1
3	Lack of confidence on work	34	28	14	7	0	83	
	Score (w*3)	170	112	42	14	0	338	5
4	Difficulty to handle the work pressure	29	31	15	6	2	83	
	Score (w*4)	145	124	45	12		326	6
5	Suitable training program is not given by the organization	59	22	1	0	0	83	
	Score (w*5)	295	88	3	0	0	386	3
6	Inefficient in training program	34	28	14	7	0	83	
	Score (w*6)	170	112	42	14	0	338	5
7	Because of work error the employee salary is decline	50	30	2	1	0	83	
	Score w*7	250	120	6	2	0	378	4

Source: Primary data

From the findings on the above table, Rank 1 is “Lack of work perfection” with a score of (w*2) = 393 points. The second factor in the rank is “Lack of training program in an

organization” which has a score of (w*1) = 390 points. Rank 3 goes to factor the “Suitable training program is not given by the organization (Bank Dhofar)” with a score of (w*5) = 386 points.

4.5 Correlation Table: Relationship between satisfaction level of training programme by Bank Dhofar and impact on employee turnover

X - Mx	Y - My	(X - Mx) ²	(Y - My) ²	(X - Mx)(Y - My)
-2.600	35.400	6.760	1253.160	-92.040
14.400	11.400	207.360	129.960	164.160
3.400	-14.600	11.560	213.160	-49.640
-5.600	-15.600	31.360	243.360	87.360
-9.600	-16.600	92.160	275.560	159.360
Mx: 16.600	My: 16.600	Sum: 349.200	Sum: 2115.200	Sum: 269.200

Result Details & Calculation

X Values

$$\sum = 83$$

$$\text{Mean} = 16.6$$

$$\sum(X - Mx)^2 = SSx = 349.2$$

Y Values

$$\sum = 83$$

$$\text{Mean} = 16.6$$

$$\sum(Y - My)^2 = SSy = 2115.2$$

X and Y Combined

$$N = 5$$

$$\sum(X - Mx)(Y - My) = 269.2$$

R Calculation

$$r = \frac{\sum((X - M_x)(Y - M_y))}{\sqrt{(\sum SS_x)(\sum SS_y)}}$$

$$r = 269.2 / \sqrt{((349.2)(2115.2))} = 0.3132$$

Meta Numerics (cross-check)
r = 0.3132

Finding: As per the above table calculation, the value of R is 0.3132. Although technically a positive correlation, the relationship between your variables is weak (note. the nearer the value is to zero, the weaker the relationship).

4.6. Correlation Table: Relationship between effectiveness of Bank Dhofar training and development programme plans and its impact on employee retention in Bank Dhofar

X - M _x	Y - M _y	(X - M _x) ²	(Y - M _y) ²	(X - M _x)(Y - M _y)
37.400	30.200	1398.760	912.040	1129.480
1.400	13.200	1.960	174.240	18.480
-6.600	-13.800	43.560	190.440	91.080
-15.600	-13.800	243.360	190.440	215.280
-16.600	-15.800	275.560	249.640	262.280
M_x: 16.600	M_y: 16.800	Sum: 1963.200	Sum: 1716.800	Sum: 1716.600

Result Details & Calculation

X Values

$$\sum = 83$$

$$\text{Mean} = 16.6$$

$$\sum(X - M_x)^2 = SS_x = 1963.2$$

Y Values

$$\sum = 84$$

$$\text{Mean} = 16.8$$

$$\sum(Y - M_y)^2 = SS_y = 1716.8$$

X and Y Combined

$$N = 5$$

$$\sum(X - M_x)(Y - M_y) = 1716.6$$

R Calculation

$$r = \frac{\sum((X - M_x)(Y - M_y))}{\sqrt{(\sum SS_x)(\sum SS_y)}}$$

$$r = 1716.6 / \sqrt{((1963.2)(1716.8))} = 0.935$$

Meta Numerics (cross-check)

$$r = 0.935$$

Finding: As per the above table calculation, the value of R is 0.935. This is a strong positive correlation, which means that high X variable scores go with high Y variable scores (and vice versa).

4.7. Correlation Table: Relationship between the training and development program are reduce the employee turnover in the Bank Dhofar and providing the Significant of employee satisfaction on job through attending the training and development program

X - Mx	Y - My	(X - Mx)2	(Y - My)2	(X - Mx)(Y - My)
22.400	38.400	501.760	1474.560	860.160
17.400	8.400	302.760	70.560	146.160
-9.600	-13.600	92.160	184.960	130.560
-13.600	-16.600	184.960	275.560	225.760
-16.600	-16.600	275.560	275.560	275.560
Mx: 16.600	My: 16.600	Sum: 1357.200	Sum: 2281.200	Sum: 1638.200

Result Details & Calculation

X Values

$$\Sigma = 83$$

$$\text{Mean} = 16.6$$

$$\Sigma(X - Mx)^2 = SSx = 1357.2$$

Y Values

$$\Sigma = 83$$

$$\text{Mean} = 16.6$$

$$\Sigma(Y - My)^2 = SSy = 2281.2$$

X and Y Combined

$$N = 5$$

$$\Sigma(X - Mx)(Y - My) = 1638.2$$

R Calculation

$$r = \frac{\Sigma((X - My)(Y - Mx))}{\sqrt{((SSx)(SSy))}}$$

$$r = 1638.2 / \sqrt{((1357.2)(2281.2))} = 0.931$$

Meta Numerics (cross-check)

$$r = 0.931$$

Finding: As per the above table calculation, the value of R is 0.931. This is a strong positive correlation, which means that high X variable scores go with high Y variable scores (and vice versa).

V. OTHER FINDINGS:

Based on the various research calculations, these are the few important findings for this research work. **Significance of training and development in employee turnover in Dhofar bank in Oman;** 63 % of the respondents are strongly agreed that training and development is a crucial aspect in employee turnover in Dhofar Bank and only 15 % disagreed. This indicates that the largest numbers of people support that training and development plays a role in employee turnover. **Effect of employee attitude on the employee's turnover in Dhofar Bank in Oman;** the rate of employee turnover affects the attitude of employees in an organization. Most of the people who participate in the research agreed that the rate of employee turnover in Dhofar Bank affected the attitude of the employees. 71% strongly agreed and 24% agreed which represented the largest part of the population involved in the study. **Effect of training programs and employee turnover reasons in an organization;** Lack of training programs is one of the reasons for employee turnover in an organization. 55% of the respondents strongly agreed and 36% agreed which represented majority of the respondents. It is important for organizations to be concerned about the types of training programs provided in case they affect the retention of employees in the organization. 66% of respondents strongly agreed and 30% agreed. Training and development reduces the rate of employee turnover in the organization. Most of the respondent strongly agreed and other agreed but a small percent was neutral and disagreed. 64% of the respondents strongly agreed and 34% agreed that when there are training and development programs, the rate of employee turnover is low. Reasons for employee turnover were ranked using weighted analysis from the first to the last as follows; lack of work perfection, lack of training, suitable training programs are not provided by the organization, because of work error the employee salary is declined, lack of confidence on work and difficulty to handle the work pressure.

CONCLUSION AND RECOMMENDATION:

Training and development plays a significant role in employee turnover in an

organization. This is because it equips workers with the skills they need to carry out their roles and duties hence increasing employee retention and reducing the rate of employee turnover. Other major benefits of training and development include it is easy for employees to work, it increases employee satisfaction on the job, increases problem solving skills and employees are more involved in the work in progress of the organization. Employee turnover in organizations take place for various major reasons which include lack of work perfection, lack of training programs, lack of suitable training program, increase in work error which causes reduction of employee salaries and also lack of confidence on work.

Some of the employees in the organization are not most employees in organization have worked in the particular organization for less than 3 years which indicated that the rate of employee turnover in relatively high. There is a relationship between training and development, employee turnover and productivity. Training and development affect the productivity of the organization. Increase in productivity in the organization influences the rate of employee turnover. When there are training and development programs in an organization, the rate of employee turnover reduces. Organizations should also give concern to the types of training programs in case to effect the retention of employees in the organization. Organizations should work on increasing employee retention. This is because as employees work in the organization, they are able to adopt the culture of the organization and work towards achievement of the overall goals and objectives of the organization. Training plays a significant role in employee retention and also in their attitude towards work and the organization. Good attitude increases productivity in the organization. Therefore, it is important that the organization ensures its employees have the right attitude as they conduct their duties and responsibilities to enhance productivity and performance.

Organizations should focus on reducing the rate of employee turnover and instead increase employee retention. This can be achieved through increased training and development to ensure work perfection is achieved, to boost employee's confidence on their job, increase employee satisfaction on job, boost problem solving skills of the employees, reduce the work failure/error, increase employee involvement in work progress, increase clarity on work process, attain the work target, reduce on time consumption in work process and equip the employees with job oriented skill.

Bank Dhofar should introduce more training and development programs in the organization to ensure that the employees are aware of what they should do and how they should do it to increase and improve their productivity.

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