



AN ANALYTICAL STUDY OF LEARNING PROCESS THAT IMPARTS COMPETITIVE ADVANTAGE IN SELECTED SME IT COMPANIES OF BENGALURU.

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Abstract

Study aims at understanding the impact of Learning and Development that imparts Competitive Advantage in SME IT companies of Bengaluru.

Study explores Learning and Development of acquired talent in organizations as one of the prime functional activity. An employee learning is a systematic process, which assists the employees to acquire Knowledge, Skill, Attitude and Ability of expected behavior to accomplish organizational goals.

The study purposes to find out competency mapping of future learners to grow and adopt specific skills and acquire set of information. The activity training assists employees in ensuring greater job security and job satisfaction in the long run. To be competent employees exhibiting standard behavior in turn companies will improve its existing level of excellence

A questionnaire survey was administered based on 100 employees hired by selected SME IT companies of Bengaluru. The collected data was described and inferred with help of graphs and Chi – square statistical tool.

Findings have brought to the awareness of employers, a well-designed and assessed training and development activity can impart learning amongst employees and as an induced competitive advantage of company.

Conclusions are drawn and suggestions were given.

Key Words: Learning & Development; Competitive Advantage; Competency Mapping; SME IT Companies; Bengaluru.

1. Introduction

Due to spontaneous and rapid organizational growth, continuous change in business scenario as a result of political, environmental, economic and technological factors.

In order to deal with this business scenario, to prosper in achieving effective organizational goal, and sustainable competitive advantage, companies need to base themselves on regular imparting, monitoring, enhancing KSA of employees and base themselves on systematic process of Learning and Development. This approach hold good for companies who depend more on knowledge base of human capital in an organization like SME IT companies. In order to deal with present constant changing and challenging scenarios of SME IT companies, they have to focus more on making employees more learned and awakened for improved individual and organizational performance. In pursuit of effective employee performance at work companies need to adhere to conducting knowledge imparting activities to keep employees motivated and satisfied at work.

Although considerable work has happened in relation to training and development, much did not happen in connection to learning and associated development outcomes like job satisfaction, employee performance and competitive advantage of SME IT companies in Bengaluru. Moreover SME IT sector has to face challenge from large and mid-cap IT companies extensively. The aim of the present research is to find out impact of learning activity and development outcomes of new and existing employees in the SME IT companies.

2. Review of Literature

Employee learning and Development not only imparts KSA but, also improves employee job satisfaction, job motivation, adoptability to change, employee job acceptability at the initial phase. It is also important to assess what organization giving to employees which is otherwise other way round in most of the cases. Because at the end of the day employees always ready to give back what they received. So it's a good tradeoff for companies in reaping expected ROI of the activity.

The study conducted by Siti Sarah bt. Omar et.al (2009) opines number of emerging issue are affecting the small and medium sized enterprises (SME's) in Malaysia. Hence, in response to issues number of challenges begun such as establishing new enterprises, globalization, financial constraints, high turnover, low motivation among employees, lack of human capital building. Thus exploring and describing and providing solution to SMEs future growth is important. In this regard a unique approach of this paper is the emphasis on the human resource development perspective which is important for SME's to progress and be competitive. Finally, this article maps out how future research can be more sensitive to how SME's actually develop their own human resource development for future development.



Oribabor (2000) submitted that training and development aim at developing competences such as technical, human, conceptual and managerial for the furtherance of individual and organization growth.

Isyaku (2000) postulated that the process of training and development is a continuous one. Man is dynamic in nature, the need to be current and relevant in all spheres of human endeavors make staff development a necessity, to keep track with current event and methods.

According to **Wright & Geroy (2001)**, employee competencies change through effective training programs. It not only improves the overall performance of the employees to effectively perform the current job but also enhance the knowledge, skills and attitude of the workers necessary for the future job, thus contributing to superior organizational performance. Through training the employee competencies are developed and enable them to implement the job related work efficiently, and achieve firm objectives in a competitive manner. Further still, dissatisfaction complaints, absenteeism and turnover can be greatly reduced when employees are so well trained that can experience the direct satisfaction associated with the sense of achievement and knowledge that they are developing their inherent capabilities.

3. Theoretical Background of The Study

Learning is an ongoing and continuous process to and not to our awareness. Training is one of a fundamental and operative function of HRD. Training is a learning inducing activity which happens in a series of activities. It imparts knowledge, enhances skills, and betters ability and attitudes. It bridges the gap between what organization expects from employees and what employees are providing.

Learning and Development is an essential and important activity in an organization. L & D is conducted through a systematic process which involves identifying the needs, implementing action plan through steps and evaluating for effectiveness. It enables employees to perform to their best of their abilities, match the standards expected by the organization. Development in general aims at overall growth of the organization touches every individual irrespective of his role and position for the general betterment of the organization at large.

Characteristics of Training

1. Planned series of activities
2. Relatively permanent change in behavior of employee
3. It is about making employee competent enough
4. Establish a relationship between theory and practice
5. Provides a measurable impact on standards and actual outcomes

Learning and development is essential for a variety of reasons for an employee or group of employees

1. Performance of the employee should be improved.
2. Evidence in support of training as a tool of development.
3. To test the operation of a new performance management system
4. For role analysis of an employee out of job he is held with.

Benefits of employee Training and Development

1. Manages employee behavior
2. Improves employee motivation
3. Increases employee job satisfaction
4. Reduced employee turnover
5. Increased capability to adopt to new technologies and innovation
6. To improve company image in the market
7. Increased innovation in product and strategies

The need for training arises when there is a gap in learning essential, actual performance behavior of an employee and the expected standard performance. To meet the specific problems of an organization which arise as a result of introduction of new technology unprecedented change business scenario, Training is also required to meet the unmet target of the organization with present employees

4. Research Methodology

Methodology deals with description of study procedures and the methods employed in the study. Areas covered include the research design, population, sample and sampling techniques, data collection procedures and analysis.

4.1 Statement of problem;To find the overall impact of Learning and Development that imparts Competitive Advantage in selected SME IT companies of Bengaluru.



4.2 Objectives

1. To study the change in behavioral pattern of the employees due to learning.
2. To study the change in performance and satisfaction of employees after training program.
3. To examine the effectiveness of training in overall employee development imparting competitive advantage.

4.3 Research Questions

1. What results in the low support for job satisfaction positively with training for employees in SME IT companies?
2. What initiatives are necessary to get the support for impact satisfaction positively with training employees in SME IT companies?
3. Is there any link between good learning and development activity with Organisational competitive advantage.

4.4 Need for training and development :Training is not only important from the organization point of view but also for the employees. Training is valuable to the employees because it will give them greater job security, job satisfaction and opportunity for growth.

4.5 Relevance of Study

significance of the study is in relation to changing technology and corresponding skills, quality conscious customers emphasizes on effectiveness, Greater productivity to keep organization abreast of other competitors and stable workplace by giving employees job satisfaction and job security

4.6 Population of the study

Population refers the group about whom the researcher wants to know more and from whom a sample will be drawn. This is often defined in terms of demography, geography, position, designation, need for training, frequency of attending training etc. SME IT Companies in Bengaluru are considered as major group for selecting respondents to the Study. The targeted population thus includes 100 respondents from selected three companies for the study like middle level managers, team leads and all heads of the various departments at the different level of hierarchy

4.7 Sample and Sampling Technique

A sample size is a finite part of a statistical population whose properties are studied to gain information about the whole. When dealing with people, it can be defined as a set of respondents (people) selected from a larger population for the purpose of a survey (Neuman,1997).

The researcher adopted both the Survey and Purposive sampling technique. The survey sample technique ensured that each member of the targeted population has equal chance of being selected. Under the purposive or judgment sampling technique, the researcher purposively draws a sample from the population which he thinks is a representative of the population. This study is conducted for definite purpose with the help of a structural and personal interview to gather primary information as much as possible.

4.8 Data collection

Because the study focuses more on Training and Development of SME IT employees, the importance of primary data is evident here the views of respondents will be sort direct. Initial visit to the IT Companies was to introduce T & D, familiarize researcher with the concept of learning and seek their consent for the study.

Survey questionnaire method is used for the purpose of data collection.

Primary data: it is the internal data about working of HR department gathered from the organization, Interview and Data collected through Structured questionnaire and feedback forms by the employees

Secondary data

Magazines, Journals, Brochures, etc..

Websites of the company

Books

4.9 Scope (delimitation)

The study on Learning and Development of selected SME IT Company employees plays a pivotal role in throwing light on employee participation, engagement, productivity, morale, role in decision making, development approach towards the growth prospects of the organization, employee retention and work behavior.

4.10 Limitation of the study

1. Overall employee coverage can't be sought due mainly to proximity, time and financial constraints in carrying out this research.



2. Accuracy and relevance of information sought is an arguable consideration.
3. To carry out the research simultaneously and continually, researcher was not pre-financed and time to facilitate data collection and analysis.

5. Analysis and Discussions

Table 5.1 Training program helps to increase morale

Opinion	No of respondents	Percentage
Agree	60	60%
Strongly agree	25	25%
Disagree	13	13%
Strongly disagree	0	0%
Can't say	2	2%
Total	100	100%

Observation

From the above table it is clear that out of 100 employees, 60% employees agree that training helps to increase morale, 25% of employees strongly agree and 13% of employees do not agree that training increases morale.

Opinion	No of respondents	Percentage
Agree	78	78%
Strongly agree	21	21%
Disagree	0	0%
Strongly disagree	0	0%
Can't say	1	1%
Total	100	100%

Inference

From the above data it is clear that training has an impact on the morale of the employees. More than 95 % employees agree that training has impact on morale of employees.

Analysis of Chi-square:

Ho: Training and development program does not help to increase morale

Ha: Training and development program help to increase morale

N: Total frequency= 60+25+13+0+2=100

Np: 100/5=20

Table 5.2

Parameters	O	E	(O-E)	(O-E) ²	(O-E) ² / E
1	60	20	40	1600	80
2	25	20	5	25	1.25
3	13	20	-7	49	2.45
4	0	20	-20	400	20
5	2	20	-18	324	16.2
Total	100				119.2

Where O= observed frequency and E= Expected frequency

DF (V)=5-1=4

Chi²(0.05) (Tabulated value)=9.488 < Chi² (Calculated value)=119.2

Inference

Since calculated value of Chi² is greater than the tabulated value, it is considered to be significant. There is significance difference and Ho is rejected at 5% level of significance and thus can be concluded that training program help to increase morale

Table 5.3 after the training program performance of employees has increased drastically



Observation

From the above table it is clear that out of 100 employees, 78% employees agree that training helps to increase morale, 21% of employees strongly agree that training has resulted to drastic increase in performance of employees.

Inference

Performance of employees differs from one employee to another on the basis of individual capability. From the above data it is clear that large number of employees feel that training helps them to increase their performance

Analysis of Chi-square:

Ho: Training and development program does not help to increase performance of employees

Ha: Training and development program help to increase performance

N: Total frequency= 78+21+0+0+1=100

Parameters	O	E	(O-E)	(O-E) ²	(O-E) ² / E
1	78	20	58	3364	168.2
2	21	20	1	1	0.05
3	0	20	-20	400	20
4	0	20	-20	400	20
5	1	20	-19	361	18.05
Total	100				226.3

$Np: 100/5=20$

Opinion	No of respondents	Percentage
Agree	62	62%
Strongly agree	37	37%
Disagree	0	0%
Strongly disagree	0	0%
Can't say	1	1%
Total	100	100%

Table 5.4

Where O= observed frequency and E= Expected frequency

DF (V)=5-1=4

$\chi^2(0.05)$ (Tabulated value)=9.488 < χ^2 (Calculated value)=226.

Inference

Since calculated value of χ^2 is greater than the tabulated value, it is considered to be significant. There is Significance difference and Ho is rejected at 5% level of significance and thus can be concluded that training program help to increase performance of employees

Table 5.5 Training helps to develop new skill and enhance technical skill

Observation

From the above data it is clear that out of 100 respondents, 62% of the employees agree, 37% of employees strongly agree, 1% of employees are not sure about their opinion that the training helps the employees to develop new skill and to enhance technical skill.

Inference

Training helps the employees to adopt new skills. Various on the job and off the job training program is conducted to help the employees adopt new skill and enhance technical skill.



Analysis of Chi-square

Ho: Training and development program does not help to enhance the skills of employees

Ha: Training and development program help to enhance skills of employees

N: Total frequency= 78+21+0+0+1=100

Np: 100/5=20

Table 5.6

Parameters	O	E	(O-E)	(O-E) ²	(O-E) ² / E
1	62	20	42	1764	88.2
2	37	20	17	289	14.45
3	0	20	-20	400	20
4	0	20	-20	400	20
5	1	20	-19	361	18.05
Total	100				160.7

Where O= observed frequency and E= Expected frequency

DF (V)=5-1=4

Chi²(0.05) (Tabulated value)=9.488 < Chi² (Calculated value)=160.7

Inference

Since calculated value of Chi² is greater than the tabulated value, it is considered to be significant. There is significance difference and Ho is rejected at 5% level of significance and thus can be concluded that training program help to enhance skill of employees.

Findings

With the help of analysis made, the following findings are obtained.

1. Large number of employees find that there is latest methodology of training helps in having consistent job environment at the work place
2. Maximum employee undergo training program when they are newly recruited, which may be because the training needs differ from one individual to other and from one job to other
3. From the data it can be inferred that all the employee feels that training is a essential component because it helps them to increase their learning and performance level
4. Utmost number of employees are satisfied with the training and development programs given to them as they are more learned and aware
5. The skills and morale of the employees has improved because of the training program
6. Workers find their attitudes improving towards the job after the training program
7. More than 70% of employees feel training helps them to decrease their stress level because they get to upgrade themselves with latest concepts
8. More than 75% of employees are satisfied with the time duration given for training and development program and they also agree that training program is well planned
9. Training program is not complete without feedback. From the data it is clear that feedback is taken from the employees after training program and actions have been taken with respect to the feedback

Suggestions

1. Advanced training aids are required for conduction of activity
2. Training program design are required to be more learning oriented
3. Training is a continuous process i.e. it should be conducted at regular intervals
4. Training duration should be less and the details explained should be precise and accurate
5. There must be systematic training program in addition to general training
6. Company must make sure trainers who are competent in specific are invited along with other existing trainers to conduct training program
7. As the employees acquire new skills and knowledge which they apply in day to day job situation they should be properly rewarded for their ate



Conclusion

Training the employees in an organization is not a great deal but identifying which area an employee has to be trained is important because of rapid changing market and technology. Training helps the employees to adopt with the work culture of the organization. Without training newly recruited employees may find it difficult to survive in the future

In recent years great importance is given to skilled and trained manpower in an organization. An organization without well trained manpower or training system can be compared to a warrior in a war field without any weapon. In this study it was analyzed that the employees in the organization is satisfied with the training program conducted.

The learning program not only helps the employees to know about their job but also to be more creative and proactive in their work which results in the organizational development

Training helps employees to improve their productivity and also enhances their present skills.

It also helps employees to develop their inter personal and intra personal skills and even to improve their quality control techniques. Training has to be given to every employee after identifying his or her needs. Hence training is very useful to employees

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