



**ASSESSMENT OF TRAINING AND DEVELOPMENT PRACTICES ON  
EMPLOYEE PERFORMANCE IN OIL MARKETING FIRMS IN NAIROBI,  
KENYA**

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**ABSTRACT**

*The purpose of the study was to assess the training and development on employee performance in oil marketing firms in Nairobi, Kenya. The research design used a descriptive survey. The population of the study included three simple randomly selected oil marketing firms in Nairobi. The researcher used stratified random sampling technique to select the 60 respondents in total of all the 3 companies who formed the sample population size for the study. Data was collected through questionnaires. Data analysis used regression analysis, descriptive analysis, and cross tabulations. The study therefore was to examine the human resource training and development practices of oil marketing firms in Nairobi. The results therefore led to the conclusion that training had led to employee performance improvement. The study recommends that companies should invest more in training of employees as this may have a positive result on the employee performance and consequently on the performance of the organization in general.*

**Introduction**

The training and development of employees is an issue that has to be faced by every organization. The amount, and quality of training carried out varies enormously from one organization to another. Many organizations meet their needs for training in an ad hoc and haphazard way

No organization takes pride in below expectation performance. An organization must always therefore aspire to get persons who fit or can be tailored to fit into its needs and the ever – changing environment. It is only through training that the gap between performance of the organization and the felt need of a changing environment can be neutralized. Training increases employee's knowledge, skills, ability and attitude.



## **Training and Development**

Greenberg (2003) defines training as the process through which people systematically acquire and improve skills and knowledge needed to better their job performance. Just as students learn basic education skills in the classroom, employees must learn job skills.

Training improves, changes, moulds the employees knowledge, skills, behavior and attitude towards the requirement of the job and the organization. It is the act of increasing the knowledge and skills of an employee for doing a particular job. For any practical purposes, proper employee training and employee performance are very essential because they affect the most significant resource in the organization that is the human resource.

Armstrong (2001) as defined in the 1970s, training was considered to be, “the systematic development of the attitude, knowledge and skill behavior pattern required by an individual in order to perform adequately a given task or job “or a sequence of experience or opportunities designed to modify behavior in order to attain a stated objective or an activity which deliberately attempts to improve a person’s skill at a task.

Beach, (2000) training can therefore be defined as the organized procedure, by which people learn knowledge and / or skills for a definite purpose. Miner and Crane (1998) define training as an approach to human change and learning that is specific to a job role and attempt to help those who are or will be performing certain jobs to achieve successful performance.

Development has been defined as the improvement of the total well- being of an individual or organization. It involves improvement from a system point of view that is improvement of all aspects of the individual or organization. Daniels (2006) Development can be targeted at the individual that is the person in the organization



which is then called staff development or at the organization which is called organizational development.

The concept of performance outcomes can be captured in a variety of ways. However, for the purpose of this discussion, performance adapted by Dyer and Reeves (1995) refers to output measures (example, improved retention, reduced absenteeism, and product and service quality).

### **The Oil Marketing Firms in Kenya**

In the East African, republic of Kenya just recently discovered oil or gas reserves. The Kenyan government is encouraging foreign interest in oil exploration and there is a modest upstream oil industry. It is endowed with other energy sources including wood fuel, coal, solar and wind power, much of which is untapped. The country's commercial energy needs are supplied by electricity, coal, fuel wood and oil-derived products.

According to the energy regulation authority report, Petroleum is Kenya's major source of commercial energy and has, over the years, accounted for about 80% of the country's commercial energy requirements. Demand for oil in Kenya is quite small due to the country's underdeveloped economy, which is heavily dependent on labour intensive and rain-fed agriculture systems. The domestic demand for various petroleum fuels on average stands at 2.5 million tons per year, all of it imported from the Gulf region, either as crude oil for processing at the Kenya Petroleum Refineries Limited or as refined petroleum products.

### **Problem Statement**

It is a well-known fact that training enhances skills, knowledge and attitude of the worker and increase performance in organizations Cole, (2002) many organizations in Kenya engage in training and development of staff and have departments, units and sectors in charge of training and development. Oil marketing firms are such organizations that have



been practicing training and development since its beginning and particularly for the past few years Brown and Campbell, (2001) Employees must possess, therefore, a wide variety of technical and interpersonal workplace skills and competencies that allow them to work with advanced technologies and function optimally in today's high performing organizations

According to the energy regulatory report (2009) for some years now it appears training in these firms, are haphazard, unplanned and unsystematic, and several of its employees such as technicians operators, junior and middle level engineers, accounts clerks, IT operators, secretaries, drivers and many other category of workers, have not qualified for any form of training nor is there any systematic process of staff development in place, this is according to the firms staff and company records.

In the absence of training and development of employees by management of these marketing firms, the employees sponsored themselves in furtherance of their education to obtain professional or higher level certificates. Employees who expressed the desire to pursue university education were not given any form of assistance like study leave with pay. Their applications for study leave were turned down with those who were persistent being advised to resign. Those who sought for part-time programs were disengaged after their studies as management claimed their programs were not relevant to the job. The few ones who were retained had no well compensation and promotion to match their added skills and competencies. This it is believed to have led to high labor turnover in the organizations. In this regards, the researcher intended to investigate the effect of human resource training and development on employee performance in the oil marketing firms in Nairobi.

### **Methodology**

The researcher used descriptive design; it described our phenomenon and opinions and believes of employees. The researcher used stratified random sampling technique to

select the 60 respondents in total of all the 3 companies who formed the sample population size for the study. Data was collected through questionnaires. Data analysis used regression analysis, descriptive analysis, and cross tabulations.

### Objective

The objective was to examine the human resource training and development practices of oil marketing firms in Nairobi.

### Data Analysis

#### Respondents' awareness of existence of training policy

The respondents were asked to state whether they were aware of the existence of training policies in their companies. The results are shown in Table 1.1

**Table 1.1 Awareness of existence of training policy**

Awareness	Frequency	Percent
Yes	38	63%
No	22	37%
<b>Total</b>	<b>60</b>	<b>100.0</b>

Table 1.1 shows that 63% were aware of the existence of training policy while 35% were not aware. This means that majority of employees were aware of existence of training policy.

#### Participation in training

The importance and relevance of training to organizational performance is well known. It is a well-known fact that develops skills, attitudes, and abilities. The study sought to know the proportion of respondents who have ever participated in any form of training program sponsored by their companies. The table below presents their responses:

**Table 1.2 Participation in training**

Participation in training	Frequency	Percent
Yes	40	67%
No	20	33%
<b>Total</b>	<b>60</b>	<b>100.0</b>

Table 1.2 shows that 67% of the respondents had participated in training organized by their companies while 33% of the respondents had not been trained by the companies. Thus, most of the employees in the sector had been trained.

### **Selection for training**

The respondents were asked to state how they were selected for the trainings. The results are shown in the table below.

**Table 1.3 Selection for training**

Selection criteria	Frequency	Percent
I was recommended by the supervisor	6	15%
I requested to be trained	3	7.5%
Recommendations of performance appraisal	1	2.5%
There was new technology introduced	9	22.5%
I do not know how	21	52.5%
<b>Total</b>	<b>40</b>	<b>100.0</b>

The study found that 15% were recommended by the supervisors, 7.5% of the employees requested to be trained, 2.5% were trained based on the recommendations of the performance appraisals, and 22.5% were trained based on new technology introduced, while 52.5% did not know how they were selected for training.

### Influence of Training and Development on Employee Performance

The respondents were also asked to state the extent to which they agreed with the statements on their job performance in the companies. The results are in the table below.

**Table 1.4 Performance of employees**

Statement	Agree	Disagree	Mean
I made more sales last year than the previous years	72%	18%	4.125
I have been present at work currently more than the previous years	83%	17%	4.512
My performance improvement is attributed to training by the company	62%	38%	3.641

The results show that 72% of the employees had made more sales than before, 83% had been present most of the time at work than before while 62% of the respondents attributed their improvement in performance to the training they acquired. The mean scores also confirm the same. As shown, the mean scores were beyond 3.0 meaning that the respondents agreed with the statements. The results therefore show that training had led to performance improvement.

### Regression analysis

In order to test for the influence of each of the influence of human resource training on employee performance, a multiple regression analysis was performed. The results of the analysis are shown in the table below.

**Table 1.5 Relationship between HR training and employee performance**

R	R <sup>2</sup>	Adjusted R <sup>2</sup>	SE of the Estimate
.721	.519	.436	.04127

The initial output results showed that R was 0.721. This shows that training had a high positive influence on employee performance. R squared was 0.519 meaning that training and development influenced 51.9% of variance in employee performance. The adjusted R squared of 0.436 indicates that training influenced at least 43.6% of the variance in employee performance.

**Table 1.6 Influence of training on employee performance**

	Unstandardized Coefficients			
	B	Std. Error	T	P
Constant	.437	.258	2.530	.003
Investment on training	.904	.009	3.408	.004
Time/duration of training	.010	.057	3.002	.000
Scope/nature of training	.701	.037	5.030	.000

Table 1.6 reveals that the constants alpha and error terms were 0.437 and 0.258 respectively. The beta value for investment suggests that it had a positive influence on the employee performance. Thus, the more investment companies made on training, the better the employee performance was exhibited. The study found that time or duration spent on training as well as the scope or nature of training had a positive influence on employee performance. All these correlations were highly significant ( $p < 0.05$ ). These results are consistent with those of del Valle et al (2009) who sought to establish the effects of training on performance in service organizations. The results also corroborate those of Yahaya (2006) who did a study on the impact of investment in human resource training and development on employee effectiveness in Nigerian banks.





### **Cross tabulations**

The cross tabulations in the table below were done on training and gender. The results provide the frequencies, the percentages (in parentheses), the Pearson's chi-square values, and the p-values. The results show significant differences between male and female employees as concerns attending more than 3 training sessions ( $p=0.000$ ), 2 days training ( $p=0.006$ ), training in communication ( $p=0.014$ ) and training in IT ( $p=0.001$ ). These results are consistent with those of Zulkifli (2009) who did an empirical analysis of knowledge workers in Malaysia to establish the impact of training participation on productivity and wage.



**Table 1.7: Cross Tabulation between Training Participation and Gender (N = 60)**

		Gender:		Chi-square test	
		Male (N = 40)	Female (N = 20)	Pearson $\chi^2$	p-value
Measures of training participation					
No training reported		13 (33.7)	7 (32.6)	N/A	N/A
Number of training sessions attended	Only 1 training session	16 (40.7)	4 (29.0)	1.187	0.276
	2 to 3 training sessions	21 (52.5)	6 (32.3)	3.371	0.066
	More than 3 training sessions	3 (6.8)	8 (38.7)	14.174	0.000
Days of training	Only 1 day	9 (22.0)	3 (16.1)	0.443	0.506
	2 days	8 (20.3)	10 (48.4)	7.613	0.006
	3 days	7 (18.6)	3 (12.9)	0.482	0.487
	More than 3 days	16 (39.0)	5 (22.6)	2.460	0.117
Nature of training	Specific training	20 (49.2)	10 (48.4)	0.005	0.945
	General training	22 (55.9)	12 (61.3)	0.239	0.625
On- or off-the-job training	On-the-job training (OJT)	37 (91.5)	19 (96.8)	0.900	0.343
Source of training	In-house training	22 (54.2)	14 (67.7)	N/A	N/A
	External training	28 (69.5)	13 (64.5)	0.230	0.631
	**In-house with local trainers	17 (40.7)	11 (54.8)	1.643	0.200



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	**In-house with foreign trainers	10 (25.4)	8 (41.9)	2.585	0.108
Scope of training	Directly related to job scope	15 (37.3)	10 (48.4)	1.034	0.309
	Indirectly related to job scope	3 (6.8)	0 (00.0)	2.199	0.138
	Directly and indirectly related to job scope	22 (55.9)	10 (51.6)	0.153	0.696
Type of indirect training	Management	16 (40.5)	13 (62.5)	2.161	0.142
	Communication	11 (27.0)	13 (62.5)	5.982	0.014
	IT	22 (54.1)	1 (6.3)	10.670	0.001

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## Conclusion

Majority of employees was aware of existence of training policies and most of the respondents had participated in training organized by their companies. In terms of selection criteria for training, majority did not know how they were selected for training.

The results showed that most employees had made more sales than before, had been present most of the time at work than before and that training had resulted in improvement in their performance. The results therefore lead to the conclusion that training had led to performance improvement.

## Recommendations

There is need for the criteria of selecting employees for training to be explained before the training commences as this will enhance the awareness of the reasons for training and therefore better engagement with training. The researcher recommends that the objectives of training need to be clear before the training is carried out.

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