

Employee Training And Knowledge Transfer in Organizations

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Abstract

There is a tendency of organizations spending a lot of money on training which in most cases does not translate to knowledge dissemination in organizations as clearly evidenced in the performance of many organizations. Even after training, little is done as a follow up to establish whether the beneficiaries are transferring the knowledge at the work place and if possible find out the challenges faced or reasons why the knowledge is not transferred. The aim of this paper was to investigate the relevance of training in knowledge transfer given the potential benefits of using trained employees as a result of organization commitment to ensuring knowledge transfer. The paper provides an integrative literature review of articles published on knowledge transfer and organization commitment and it is based on synthesis of literature on the subject taking into consideration examples from numerous institutions. It examines training practices (i.e., needs assessment, trainee preparation, training program review, management support, knowledge transfer, and organization commitment). The literature review revealed that although knowledge transfer is linked with organization commitment, studies are yet to identify how efficient the process of training and knowledge transfer is done in terms of pre-training, the process during training and post-training which remains a challenge, and must be addressed as a multidimensional phenomenon in order to capture a clear picture of the challenges and potential benefits resulting from knowledge transfer.

Keywords: *Employee Training, Knowledge transfer, organization commitment*

Introduction

The changing business environment has made organizational knowledge a critical factor of sustainable competitive advantage. Knowledge transfer plays a critical role in the long-term existence of the organization: it has strategic importance. The current profound changes in the world's competitive environment provide a unique opportunity to examine how organizational globalization affects knowledge transfer and organizational learning. A firm's performance and survival are determined by the speed at which the firm develops knowledge transfer. Knowledge has long been argued to be one of the main sources of the competitive advantage of firms (Conner and Prahalad, 1996; Grant, 1996). It has been argued that firms exist because they share and transfer knowledge better than do markets (Kogut and Zander, 1992). A large share of the economic activity in a market can be considered knowledge intensive, where knowledge is both a re- source and an outcome of business. Knowledge intensity and intangible assets are the opposite side of a service business, because services cannot be created without them.

According to van Wijk et al. (2008), strong evidence is accumulating in academia that transferring knowledge from external sources has become central to firm success. Studies show that knowledge transfer increases firm performance (Lyles and Salk, 1996; Steensma and Lyles, 2000; van Wijk et al., 2008) and innovativeness (Powell et al., 1996; Tsai, 2001; van Wijk et al., 2008). It is known that knowledge transfer matters even if there are ambiguous definitions of the concept of knowledge in the context of value creation in a firm (Spender, 1996).

Organizations develop knowledge management capabilities to help support a range of vital operational and innovative activities. The interest in organizational capabilities has created a focus on the development and implementation of knowledge management processes and infrastructure required to support daily work practices. Different resources make up the knowledge capability of a firm. These include technology infrastructure, organizational structure and organizational culture which are linked to a firm's knowledge infrastructure capability; and knowledge acquisition,

knowledge conversion, knowledge application and knowledge protection which are linked to the firm's knowledge process capability (Emadzade et al. 2012). Taken together, these resources determine the knowledge management capability of a firm, which in turn has been linked to various measures of organizational performance (Lee and Sukoco, 2007; Zack et al., 2009). Thus knowledge-based competition will be critical for organizational success in the coming years (DeNisi et al., 2003).

Problem formulation

In today's world, organizations are categorizing employees as the most important asset of the company in enhancing competitive advantage. Currently in Kenya there is higher turnover rate particularly in Public services (KIPRRRA, 2013), If an employee leaves an organization, they take the knowledge they have acquired with them through training. This loss of knowledge is creating potential threat to many organizations existence in Kenya and other countries (Lucie and Hana, 2013), especially if an employee with valuable knowledge leaves to join a competitor. In addition, most of organizations have been spending a lot of money on training which in most cases does not translate to knowledge dissemination in organizations and even after training, little is done as a follow up to establish whether the beneficiaries are transferring the knowledge at the work place.

Theoretical framework

This paper is based on two main theories underlying knowledge transfer that is, the, resource based view of the firm blended with a knowledge-based perspective. According to the resource based view theory, it seems evident that successful knowledge transfer related to business is highly dependent on communication among individuals from different firms. Gold et al., (2001) argue that it is how effectively firms leverage and combine their knowledge transfer resources to create a unique knowledge transfer capability that determines their overall effectiveness. That is firm effectiveness in their training transfer create more commitment among employees thereby gaining more competitive advantage. Adopting a knowledge-based perspective, dynamic capabilities are seen as integrated sets of knowledge transfer activities that change, renew, and exploit the knowledge-based resources of the firm, equivalent to knowledge development capability, knowledge (re)combination capability, and knowledge use capability (Nielsen 2006). The resource-based theory with knowledge and dynamic capability-based approaches, knowledge transfer resources and capabilities are explicitly recognized to be central to the creation of competitive advantage in the dynamic market places of today. Knowledge transfer in services is largely learning from the individuals working on the service. This learning then can be observed in the increase in the knowledge of different knowledge bases in the service firm, which results in improved productivity, efficiency and novel service concepts. The goal in service business should be the transformation of tacit knowledge to explicit knowledge. However, this is possible only to a certain extent. Therefore, mechanisms to transfer tacit knowledge will have to be introduced. The theory reviewed above agrees that social relations play an important role in the transfer.

Methodology

The article has been processed based on the analysis of secondary sources, outcome synthesis and the evaluation of results of previous study. With respect to the fact that the data collected was obtained on a selective basis, it was necessary to determine whether they were dependent attributes and whether the findings could be generalized and applied to the basic group. The paper provided an integrative literature review of articles published on knowledge transfer and organization commitment 2001-2013 and it is based on synthesis of literature on the subject taking into consideration examples from numerous institutions both in developing and developed countries

Emerging Issues In his study, Shafloot (2012) using mixed-methods descriptive research design and Simple random sampling to select potential participants of

269, 30% of the population identified the five levels of training policy and two levels of post-training outcomes combined to create seven scales: (1) Needs Assessment; (2) Trainee Preparation; (3) Training Program Review; (4) Accountability; (5) Management Support; (6) Knowledge Transfer; and (7) Performance Improvement. Respondents rated their level of agreement to the items associated with each factor on a scale that ranged from 1 (strongly disagree) to 5 (strongly agree). The items were all worded to reflect the occurrence of the factors as shown in the table below:

Factor	N Items	M	SD
Training Program Review	2	4.14	0.67
Management Support	4	4.1	0.56
Trainee Preparation	3	3.81	0.69
Needs Assessment	5	3.7	0.61
Accountability	4	3.28	0.73

Source (Shafloot, 2012)

From the table above, it was evident that Management support, training preparation, carrying out training needs assessment and accountability were vital elements for effective knowledge transfer.

Training Practices and Knowledge Transfer

Cekada (2011) affirmed that a training needs assessment is the first step in starting an effective training program. In doing so, it is important to determine the learning objectives, design the training program based on the identified objectives, and develop a method of evaluating the training. Having a well structured measuring system in place prior to training may help determine to what extent a trainee will utilize training and transfer learning to the workplace.

Dam, and Hutchins (2010) conducted a longitudinal study to examine the extent to which two forms of social support (i.e., organization support and supervisor support) predict training transfer. Chiaburu and his colleagues tested 111 employees, and found that supervisory support had a strong relationship with individual factors, which then influenced training transfer. Specifically, work support factors including manager support, manager sanctions, peer support, feedback, and coaching were strongly related to motivation to transfer training to the workplace (p. 189)..

Knowledge transfer and employee commitment

The primary purpose of most training programs is to provide trainees with knowledge to be transferred to the work environment. Trainees acquire knowledge for different purposes. These purposes can include reasons such as to refresh their knowledge, to solve problems, or to improve performance. Experts estimate that the extent to which learning is transferred into performance ranges from 5% to 20% (The ASTD Handbook of Training Design and Delivery, 2000, p. 431). Yet, in instances wherein knowledge transfer has taken place, it cannot be assumed that all trainees have the same level of training transfer. In such case it is essential that knowledge transfer be integrated into a set of policies that ensure generating and monitor the information flow within the organization. For instance, the on pre-training policies can specify how the trainees would present and manage their new ideas after training. Overall, many different strategies can be applied in a workplace to spread knowledge or skills through the organization. These strategies (Zemke&Friel,

2005; Tyler, 2008) include, but are not limited to the following: Sharing best practices, Storytelling, Job Aids, Job Rotation, Assessing knowledge capacity and Mentoring.

Knowledge transfer is the key indicator of an effective training program. As stated earlier, knowledge transfer includes the ways of execution, sharing relevant knowledge or practice, and improving the business performance (Hariharan, 2002). For the purpose of this paper, knowledge transfer has to occur in the same business environment where training occurred.

Needs Assessment

Situation analysis is intended to be the first stage in training planning process. Scholars suggest using a needs analysis approach that precisely identifies impediments to positive training transfer (Gaudine & Saks, 2004). In doing so, needs assessments allow managers to have an accurate and complete picture of performance deficits. Once the needs are identified, stronger objectives can then be stated (Machles, 2002). According to Tom Rey (2005), "the real value of training comes not from individual learning but rather from capable people transferring their knowledge, skills, and attitudes learned in training programs designed to improve organizational results" (p. 1). Thus, it is crucial to measure the employees' "trainee" abilities before the start of training in order to find ways to improve those abilities.

Needs assessments consist of various components. Ellis and others (2005) identified five categories of task-and team-generic competencies, three of which are considered important: (1) planning and task coordination, (2) collaborative problem solving, and (3) communication. The results of the studies described above indicate that the success of any training program depends on the training need assessment and how it was designed. Identifying individual or team competencies alone is enough.

Other researchers have also found weaknesses as it relates to conducting needs assessments as part of the implementation of training programs in Kenya. However, Bukhary-Haddad (1986) argues that the selection of trainee is a crucial process and requires evaluating the trainee on specific criteria that compose the entire nature of the trainee competency that includes: Learning ability, Trainee aptitude and Leadership competency:

Management Support

Mastering skills has little business value unless it translates into improvements in on-the-job behavior and results. Lack of management involvement, commitment, and support often inhibits knowledge transfer. According to Galloway (2005), "lack of management support can undermine even the most effectively designed and delivered training program." Machles (2002) argued that issues in management may be the primary inhibitor of knowledge transfer. In some instances, managers or supervisors do not have the appropriate knowledge or skills to direct trainees who need guidance to apply new knowledge or skills after training. When managers are not competent in guiding trainees in the use of new skills, trainees can become frustrated and lose their trust in the management system, which, in turn, affects their ability to acquire new ideas

in future training programs. It is critical that managers allow trainees time to practice skills learned through training. Overall, while supervisory support is an important factor affecting training transfer, more understanding is needed about the supervisory components that lead to perceptions of support by trainees (Diggs, 2011).

Training Program Review

Training program review refers to the process through which training programs are selected. Stein (2005) asserted that the training selection process has to be done in a systematic way that enhances selection of the best training vendors based on specified training needs.

Moreover, according to the U.S. Department of Labor Employment and Training Administration (2009), "training providers that use evidence-based learning models may be considered higher quality as they use instructional methods or program features that have shown some success in achieving positive participant outcomes" (p. 9). According to Burke and Hutchins (2007) the trainees' perception of the utility of trainings can be influenced by trainees' evaluation of: (1) the credibility of the new skills for improving performance, (2) a recognized need to improve their job performance, (3) a belief that applying new learning will improve performance, and (4) the practicality of the new skills for ease of transfer (Ruona et al., 2002; Yelon, Sheppard, Sleight, & Ford, 2004). Put simply, for maximal transfer, learners should perceive that the new knowledge and skills will improve a relevant aspect of their work performance

Trainee Preparation

Trainee preparation is important as it relates to knowledge transfer and performance improvement. Quality professional staff training requires a company to be clear about its policies and development strategies (McDonald, 2003). This clarity enables the trainees to have full understanding of the job functions and how the job is linked to the department and the organization goals and strategies. Therefore, a trainee should have a full understanding of the knowledge or skills to be obtained and when and how to use them.

Eddie and Danny (2001) stated that "trainees with a high level of confidence in attaining anticipated performance and behavior change will be more likely to apply what they have learned from training on the jobs" (p. 107). Training transfer is positively influenced by trainees' organizational commitment or job involvement, which was defined as "the degree to which an employee identifies with her job, actively participates in it, and considers job performance important to her self-worth" (Burke & Hutchins, 2007, p. 270).

It is crucial to prepare trainees before attending training programs on how they can judge their ideas before presenting them to the management. According to Levine and Gilbert, "A typical program includes how to identify problems, prioritize, analyze root causes, identify possible counter-measures, implement the solution, and check whether the solution actually works."³ Trainee preparation also helps to improve the perceived value of training. Specifically, trainee preparation influences trainees' subjective or objective estimation and/ or judgment of: (1) the credibility of the new skills for improving performance,

(2) the practicality of the new skills for ease of transfer, (3) a recognized need to improve their job performance (Taylor, Russ-Eft, & Taylor, 2009; Yelon, Sheppard, Sleight, & Ford, 2004).

Summary

Results concerning management support indicate that HR managers perceive that trainees are given opportunities to practice new skills or knowledge, but have less support from managers in terms of post-training follow-up or job aids. Trainees are also much less likely to get material support for their jobs while they are being trained, but are well prepared in terms of the provision of information concerning the content and expected results of training programs. After training, trainees are expected to be better at fixing problems; yet, there are few formal measures of accountability such as the implementation of an action plan, or sharing knowledge with others.

Findings indicated that training practices are less in the factors that need significant measures (i.e., Accountability, Needs Assessment, and then Trainee Preparation). Current procedures, processes, and tools that are used as part of various training practices may not be appropriate for all industries or occupations. More efforts are needed to evaluate effectiveness of these processes, procedures, and tools to understand how they can better meet real needs. HR managers placed emphasis on the practice outcomes more than training practice processes. This emphasis may weaken the overall outcomes of training practices, as well as their usefulness.

Conclusions and Recommendations

This study has investigated knowledge transfer in organizations through review of related literature but it calls for an action research intended to solve a localized problem within a local setting by applying the empirical method. Further studies could be done to analyze how organizations extract external knowledge, what kind of knowledge and from who it is acquired and, consequently, through which kind of process it is internalized (or personalized) to match an organization's environment. Besides further studies on knowledge transfer processes, knowledge transfer mechanisms should be studied and benchmarked in more detail. Knowledge is needed on the approximate or exact costs of implementing particular knowledge transfer mechanisms, how many potential knowledge receivers the mechanism will affect and the effectiveness of the mechanism.

However, defining the ultimate effectiveness of a mechanism the point when transferred knowledge is converted into actual business benefits in the firm would most likely need a longitudinal case study approach. Another approach for benchmarking the effectiveness of different transfer mechanisms would be a quasi-experimental study design. With this approach, for example, a specific service business-related problem or development target would be processed with different types of methods (e.g. workshop methods) and researchers would observe the functionality of the methods and their differences in supporting knowledge transfer among participants.

Training program review practices may not be consistent and integrated with each other. More efforts are needed to align the various practices of training program review so that they better support each other. A specific effort would be to require that training program reports be standardized and mandatory.

It is possible, however, that less support in terms of post-training follow-up or job aids may dampen the overall perception of management support Stein (2005). That is, employees may perceive that they have opportunity to practice new skills, but are not given the resources or on-going support to do so. Logically, more supports lead to better performance; however, the management support that is provided seems to be a consequence of daily practice or routine; it does not seem to be as extra efforts for best practices. Thus, management support methods or techniques need to be redesigned to include clear definitions of the goal, strategy, and process of management and co-worker support, and how it may enhance the overall efforts for best practices and performance, as well as employee career development.

Improvements in needs assessment may prove somewhat difficult, however, as there is a need in the Saudi labor market for practical assessment tools or inventories that measure required skills and knowledge for each job. Defining training needs reduces the investment on training by selecting the right or tailored training program, which also improves organizational learning and performance through appropriate training transfer practices.

As suggested through the qualitative portion of this study Galloway 2005, Marchles 2002 and Obaldat 2003, it may be better if trainees work with managers to develop an action plan or making presentation after training, which could serve three purposes: (1) provide clear direction on what should be accomplished, (2) provide a greater sense of obligation to transfer knowledge and skills, and (3) improve employee careers.

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