



SRI LANKA INSTITUTE OF INFORMATION TECHNOLOGY

**IMPACT ON TRAINING AND DEVELOPMENT FOR EMPLOYEE
PRODUCTIVITY OF BLUE-COLLAR WORKERS IN CRYSTAL CERAMICS
LANKA PLC**

This dissertation is submitted as a partial fulfilment of the degree of Master of Business
Administration

B S NILUPA

MB20853952

Foremost, I would like to express my heartfelt of gratitude to Mrs Udanee Samarasinghe for the support and comprehensive support and guidance given while in preparation of this research. Without her supervision and support all my efforts could have been short-sighted. I'm grateful to the Sri Lanka Institute of Information Technologies (SLIIT), for the assistance provided with various issues during the assignments and for providing us with the best lectures in the industry. Beside I'm also thankful to all the people directly and indirectly supported me to complete my research.

ABSTRACT

Human Resources is the key asset that can be used to gain a competitive advantage in many organizations. Especially in a large-scale manufacturing organization, Human Resources plays a major role. Therefore, it is vital to protect the employees and take necessary actions to improve employee productivity concerning their work and what they do. However, employee performance or employee productivity can be significantly hampered when employees lack in knowledge, skills, and motivation towards performing duties or not doing their best to the ability. Large scale manufacturing organizations require skillful manpower who could handle the new technological equipment or who could understand the new processors and is willing to dedicate their knowledge and strength to achieve the targeted output. Training and Developing is one method to improve employee's skills, knowledge, and attitudes towards the company and the work allocated. Having proper training leads the employees to perform their duties effectively and efficiently and will increase the productivity levels as well. Therefore, this study is used to analyze the impact on Training and Development on Employee Productivity of Blue Collar Workers and selected Crystal Ceramics Lanka PLC as the sources to collect data. The main objective of the study is to identify the impact of Training and Development on Employee Productivity. Also, the research uses Employee Work Experience within the industry to find out how effectively moderate the relationship between Training, Development and Employee Productivity. Through the Random Sample technique study use the Cluster Sampling method to select the sample population. The total sample population is selected as 300 samples out of 1020 workers in all three factories. A structured questionnaire was designed, pre-tested, and used to collect data from the selected sample whilst secondary data was collected through company reports and HRIS (Attendance) system. The research findings revealed that all the components tested as per the developed hypothesis showed that there is an significant impact on Training and Development to Employee Productivity as well as there is an effect on industry work experience to the relationship between Training and Development and Employee Productivity.

Key Words: Training and Development, Employee Productivity, Employee Work Experience

TABLE OF CONTENTS

DECLARATION	2
SUPERVISOR STATEMENT	3
ACKNOWLEDGEMENT	3
ABSTRACT.....	4
TABLE OF CONTENTS.....	5
LIST OF TABLES	10
LIST OF FIGURES	12
LIST OF ABBREVIATION.....	13
CHAPTER 01- INTRODUCTION.....	14
1.1 Chapter Introduction	14
1.2 Background of the Study.....	15
1.3 Problem Statement	16
1.4 Purpose of this Study.....	17
1.5 Research Question.....	17
1.6 Research Objectives	18
1.7 Significance of Study	18
1.7.1 Managerial Significance	18
1.7.2 Empirical Significance	19
1.7.3 Theoretical Significance	19
1.8 Methodology	19
1.8.1 Sampling.....	20
1.8.2 Data Analysis.....	20
1.9 Scope of the Study.....	20
1.10 Limitations of the Study.....	21
1.11 Ethical Consideration	21
1.12 Chapter Framework.....	21
1.13 Chapter Summary.....	22
CHAPTER 02 – LITERATURE REVIEW	23
2.1 Chapter Introduction	23

2.2 Training and Development (T&D).....	23
2.2.1 Benefits of T&D	26
2.2.2 Needs for Training / Training Need Assessment (TNA).....	28
2.2.3 Training Cycle	29
2.2.4 Types of Trainings.....	30
2.2.5 Efficient Methodology in T&D	31
2.2.6 Effective Training for quality Job Performance	31
2.2.7 Role and Impact of Training and Development on Job Performance	32
2.2.8 Importance of T&D	32
2.2.9 Factors Related to T&D.....	33
2.2.10 Factors Affecting for T&D	33
2.2.11 Theories of Training and Development.....	34
2.3 Employee Productivity	35
2.3.1 Why Employee Productivity Important to an Organization	36
2.3.2 Factors Affecting for Employee Productivity	37
2.3.3 How Employee Productivity can be Increase in an Organization	38
2.3.4 How to Measure Employee Productivity.....	39
2.4 The Relationship between Training and Development and Employee Productivity	40
2.5 Demographic Variables.....	41
2.5.1 Employee Work Experience	42
2.6 Chapter Summary.....	42
CHAPTER 03 - CONCEPTUAL FRAME WORK.....	43
3.1 Chapter Introduction	43
3.2 Identifying Research Gap.....	43
3.3 Conceptual Frame Work	44
3.4 Hypotheses	45
3.4.1 Impact on Training and Development to Employee Productivity.....	45

3.4.2 Moderating Effect on relationship between Training and Development and Employee Productivity	45
3.5 Chapter Summary	46
CHAPTER 04 - METHODOLOGY	47
4.1 Chapter Introduction	47
4.2 Research Philosophy	47
4.3 Research Approach	48
4.4 Research Design	49
4.5 Research Strategy	49
4.6 Research Choice	49
4.7 Population and Sampling	49
4.8 Measurement Scale	51
4.9 Operationalization	51
4.10 Data Collection.....	53
4.11 Pilot Survey	53
4.12 Data Analysis	54
4.13 Chapter Summary.....	55
CHAPTER 5 - DATA ANALYSIS	56
5.1 Chapter Introduction	56
5.2 Data Preparation for Analysis	56
5.3 Data cleaning.....	56
5.4 Reliability Analysis	57
5.5 One Sample Test	59
5.6 Normality Test.....	60
5.7 Descriptive Analysis	60
5.8 Descriptive Analysis for Variables of Employee Productivity	62
5.9 Descriptive Analysis for Variables of Training and Development	63
5.10 Correlation.....	63

5.11 Multiple Regression Analysis	65
5.12 Multicollinearity Diagnostic Analysis	65
5.13 Unidimentinality.....	68
5.14 Multiple Regression Analysis	68
5.15 Process Macro Model for Analysis of Moderator	73
5.16 Hypotheses Testing Summary.....	74
5.17 Chapter Summary.....	75
CHAPTER 06 - RECOMMENDATION AND CONCLUSION	75
6.1 Chapter Introduction	76
6.2 Key Findings	76
6.3 Interpretation of Findings.....	77
6.4 Objective One (01), the Impact on Training and Development to Employee Productivity	77
6.5 Objective Two (02), how the Employee Work Experience moderate the relationship between the Training & Development and Employee Productivity	78
6.6 Chapter Summary.....	79
CHAPTER 07 - CONCLUSION	80
7.1 Chapter Introduction	80
7.2 Overview of the Study.....	80
7.3 Theoretical Contribution	83
7.4 Managerial Contribution	83
7.5 Limitation of Study	83
7.6 Recommendation.....	84
7.7 Conclusion.....	84
REFERENCES	85
APPENDIX.....	90
Appendix 1 Structured Questionnaire	90
Appendix 2 Questionnaire in Sinhala.....	94

Appendix 3 SPSS Outcomes	98
Appendix 3.1 Pilot Test	98
Appendix 3.2 Reliability and Normality test for overall data	101
Appendix 3.3 Data Cleaning Process	104
Appendix 3.4 Reliability test after Outliers clean	111
Appendix 3.5 T Test Sample	112
Appendix 3.6 Normality Test	114
Appendix 3.7 Factor Analysis	116
Appendix 3.8 KMO and Bartletts Test	117
Appendix 3.9 Macro Process Model	126

LIST OF TABLES

Table 4.9.1 Operationalization Approach for Independent and Dependent Variables	51
Table 4.11.1 Reliability Statistic for Dependent Variable	54
Table 4.11.2 Reliability Statistic for Independent Variable	54
Table 5.4.1 Reliability for EP	58
Table 5.4.2 ANOVA Test	58
Table 5.4.3 Reliability for T&D	58
Table 5.4.4 ANOVA	58
Table 5.5.1 One Sample Test	59
Table 5.5.2 T Test for EP	59
Table 5.7.1 Gender	60
Table 5.7.2 Work Experience	60
Table 5.7.3 Department	61
Table 5.8.1 Descriptive Statistic for Dependent Variable	62
Table 5.9.1 Descriptive Statistics for Independent Variable	63
Table 5.10.1 Correlation	63
Table 5.12.1 Multicollinearity Analysis	65
Table 5.12.2 Coefficients to measure the Tolerance and VIF	66
Table 5.12.3 Collinearity Diagnostic	67
Table 5.13.1 Meyer-Olkin (KMO) and Bartlett's Test of Sphericity	68
Table 5.14.1 Residual Statistic	68
Table 5.14.2 Model Summary	71
Table 5.14.3 ANOVA Test	71
Table 5.14.4 Coefficient Test	72
Table 5.16.1 Hypotheses Testing Summary	74

LIST OF FIGURES

Figure 2.2.1 Training Cycle	30
Figure 3.3.1 Conceptual Frame Work.....	44
Figure 4.7.1 Cluster Random Sampling Method	50
Figure 5.3.1 Box Plot Outlier for Employee Productivity & Training and Development.....	57
Figure 5.14.1 Scatter Plot of Regression	70
Figure 5.14.2 Normal P-P Plot of Regression	70
Figure 5.15.1 Process Macro Model	74

LIST OF ABBREVIATION

EP	-	Employee Productivity
DP	-	Department
DV	-	Dependent Variables
HR	-	Human Resources
IBM	-	International Business Machine Corporation
IV	-	Independent Variables
KMO	-	Kaiser-Meyer-Olkin
KPI	-	Key Performance Indicator
OECD	-	Organization for Economic Co-operation and Development
RBL	-	Rocell Bathware Ltd
RCLE	-	Royal Ceramics Lanka Eheliyagoda
RCLH	-	Royal Ceramics Lanka Horana
SPSS	-	Statistical Package for Social Science
T&D	-	Training & Development
TNA	-	Training Need Analysis
VIF	-	Variance Inflation Factor