Assessment of the Employees Effectiveness through Training and Development at Hyundai Motors India Ltd

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Abstract

With advent of fast paced globalization in the economic, political, and social arenas has led to greater interpersonal cross-cultural contact across many organizations worldwide. It was evident that in this competitive world, training plays an important role in the competent and challenging format of business. Therefore, every organization needs to study the role, importance and advantages of training and its positive impact on development for the growth of the organization. Hence, training implies constructive development in such organizational motives for optimum enhancement of effectiveness of the employees and help in improving the employee behaviour and attitude towards the job and also uplift their morale. We the researchers have made reasonable effort to assess the Employees Effectiveness Through Training and Development at Hyundai Motors India Ltd. India.

Originality/value: The researchers have conducted an assessment research on how these latest developments in Training and Development of employees would empower them to improve their effectiveness on their jobs. Our study helps to deduce with the increased effectiveness of employees, how Hyundai Motors India Ltd has benefited.

Keywords: Organization, Training, Development, Effectiveness, Human Capital etc

1. Introduction

The unique nature of the market, all organizations are required to grab the opportunities to meet the underlying challenges to meet. In this dynamic environment, the organizations are also act dynamically for surviving in the current cutthroat competition. While facing these challenges, there is a great pressure of work on the shoulders of management. It is a responsibility of the management to make necessary changes at the workplace as per the requirement of the job. Therefore, we may deduce that these organizations in this competitive world are to face a lot of pressure to attract and retain competent and talented work force. As the sophisticated technological advancements in all fields of manufacturing and other fields, the management need to understand the importance of the effectiveness of employees. The question here is how to improve the effectiveness of employees, but surely the answer is through systematic training and development programs only. Hence, training is considered as the process of upgrading the knowledge, developing skills, bringing about attitude and apparent behavioral changes, and improving the ability of the employee or trainee to perform tasks effectively and efficiently in firms (Wills, 1994; Palo et al, 2003; Robert et al, 2004). Similarly, Stewart (1996) has attempted to combine the two concepts of training and development and gives an organization function which has the outcome of ensuring that the contribution of individuals or concerned employees and groups in achieving the organizational objectives through the development of appropriate knowledge, skills and attitude of the employees.
The Figure-1 tells us how the drivers of training leads to ultimately the required outcomes through effective training and development processes.

2. Indian automobile industry

India is fast emerging as an important market for cars. In terms of its car market, India ranks third in Asia having recently displaced South Korea from the position. The car sales have almost doubled in a span of 4 years from 2001-02 to 2005-06. India will be the fastest-growing auto manufacturer among the world's top 20 car-making countries. US-based consultancy firm Keystone has forecast that India will become the world's third-largest automobile market by 2030, next only to China and the US.

3. History of Hyundai Motors Limited

Hyundai means "modernity" in the Korean language.

The Hyundai logo, a slanted, stylized 'H', is symbolic of two people (the company and customer) shaking hands and its official global tagline slogan is "Drive your way."

Hyundai originated in 1967 at Seoul, Republic of Korea. Plant in Ulsan is the first plant of HMC. Since its establishment in 1967, HMC has grown as the largest automobile manufacture and 8th largest in the world. There are 5 plants around the world, in India, China, USA, Korea and Turkey. Mr. Mong Chung Koo is the chairman of the company. In the year 1996, less than years since it introduced its first car, Hyundai Motor Corporation set a new record of a total production of ten million unit mark since its inception 30 years ago. Employing over 68,000 people worldwide.

Hyundai Motor India Limited (HMIL)

HMIL is a wholly owned subsidiary of Hyundai Motor Company, South Korea and is the second largest and the fastest growing car manufacturer in India. HMIL presently markets 16 variants of passenger cars in six segments.

Source: Company Website: http://www.hyundai.com

Hyundai Motor India Limited (HMIL) is a wholly owned subsidiary of Hyundai Motor Company (HMC). HMIL is the largest passenger car exporter and the second largest car manufacturer in India. It currently has nine car models across segments – Eon, i10, Grand i10, Elite i20, Xcent, Verna, Elantra, Sonata and Santa Fe. HMIL’s fully integrated state-of-the-art manufacturing plant near Chennai boasts...
advanced production, quality and testing capabilities. HMIL forms a critical part of HMC’s global export hub. It currently exports to around 85 countries across Africa, Middle East, Latin America, Australia and the Asia Pacific. HMIL has been India’s number one exporter for the last 10 years consecutively. To support its growth and expansion plans, HMIL currently has 407 dealers and more than 1,085 service points across India. In its commitment to provide customers with cutting-edge global technology, Hyundai has a modern multi-million dollar R&D facility in Hyderabad. The R&D center endeavors to be a center of excellence in automobile engineering.

4. Review of the literature

Training Evaluation Criteria

The choice of evaluation criteria (i.e., the dependent measure used to operational the effectiveness of training) is a primary decision that must be made when evaluating the effectiveness of Training. Although newer approaches to, and models of, training evaluation have been proposed (e.g., Day, Arthur, & Gettman, 2001; Kraiger, Ford, & Salas, 1993), Kirkpatrick’s (1959, 1976, 1996) four-level model of training evaluation and criteria continues to be the most popular (Salas & Canon-Bowers, 2001; Van Buren & Erskine, 2002). Reaction criteria, which are operationalized by using self-report measures, represent trainees’ affective and attitudinal responses to the training program. However, there is very little reason to believe that how trainees feel about or whether they like a training program tells researchers much, if anything, about (a) how much they learned from the program (learning criteria), (b) changes in their Job-related behaviors or performance (behavioral criteria), or (c) the utility of the program to the organization (results criteria). This is supported by the lack of relationship between reaction criteria and the other three criteria (e.g., Alliger & Janak, 1989; Alliger, Tannenbaum, Bennett, Traver, & Shotland, 1997; Arthur, Tubre, Paul, & Edens, 2003; Colquitt, LePine, & Nae, 2000; Kaplan & Pascoe, 1977; Noe & Schmitt, 1986). In spite of the fact that “reaction measures are not a suitable surrogate for other indexes of training effectiveness” (Tannenbaum & Yukl, 1992, p. 425), anecdotal and other evidence suggests that reaction measures are the most widely used evaluation criteria in applied settings. For instance, in the American Society of Training and Development 2002 State-of-the-Industry Report, 78% of the benchmarking organizations surveyed reported using reaction measures, compared with 32%, 9%, and 7% for learning, behavioral, and results, respectively (Van Buren & Erskine, 2002). Learning criteria are measures of the learning outcomes of training; they are not measures of job performance. They are typically operationalized by using paper-and-pencil and performance tests. According to Tannenbaum and Yukl (1992) “the trainee learning appears to be a necessary but not sufficient prerequisite for behavior change”. In contrast, behavioral criteria are measures of actual on-the-job performance and can be used to identify the effects of training on actual work performance. Issues pertaining to the transfer of training are also relevant here. Behavioral criteria are typically operationalized by using supervisor ratings or objective indicators of performance. Although learning and behavioral criteria are conceptually linked, researchers have had limited success in empirically demonstrating this relationship (Alliger et al., 1997; Severin, 1952; cf. Colquitt et al., 2000). This is because behavioral criteria are susceptible to environmental variables that can influence the transfer or use of trained skills or capabilities on the job (Arthur, Bennett, Stanush, & McNelly, 1998; Facteau, Dobbins, Russell, Ladd, & Kudisch, 1995; Quin ’ones, 1997; Quin ’ones, Ford, Sego, & Smith, 1995; Tracey, Tannenbaum, & Kavanagh, 1995). For example, the post-training environment may not provide opportunities for the learned material or skills to be applied or performed (Ford, Quin’ones, Sego, & Speer Sorra, 1992). Finally, results criteria (e.g., productivity, company profits) are the most distal and macro criteria used to evaluate the effectiveness of training. Results criteria are frequently operationalized by using utility analysis estimates (Cascio, 1991, 1998). Utility analysis provides a methodology to assess the dollar value gained by engaging in specified personnel interventions including training. In summary, it is my contention that given their characteristic feature of capturing different facets of the criterion space as illustrated by their weak inter correlations reported by Alliger et al. (1997)—the effectiveness of a training program may vary as a function of the criteria chosen to measure effectiveness (Arthur, Tubre,
et al., 2003). Thus, it is reasonable to ask whether the effectiveness of training operationalized as effect size varies systematically as a function of the outcome criterion measure used.

**Conducting a Training Needs Assessment**

*Needs assessment, or needs analysis,* is the process of determining the organization’s training needs and seeks to answer the question of whether the organization’s needs, objectives, and problems can be met or addressed by training. Within this context, needs assessment is a three-step process that consists of organizational analysis (e.g., which organizational goals can be attained through personnel training? Where is training needed in the organization?), task analysis (e.g., what must the trainee learn in order to perform the job effectively? What will the training cover?), and person analysis (e.g., which individuals need training and for what?). Thus, conducting a systematic needs assessment is a crucial initial step to training design and development and can substantially influence the overall effectiveness of training programs (Goldstein & Ford, 2002; McGehee & Thayer, 1961; Sleezer, 1993; Zemke, 1994). Specifically, a systematic needs assessment can guide and serve as the basis for the design, development, delivery, and evaluation of the training program; it can be used to specify a number of key features for the implementation (input) and evaluation (outcomes) of training programs. Thus, the research objective here was to determine the relationship between needs assessment and training outcomes.

**Match Between Skills or Tasks and Training Delivery Method**

A product of the needs assessment is the specification of the training objectives that, in turn, identifies or specifies the skills and tasks to be trained. A number of typologies have been offered for categorizing skills and tasks (e.g., Gagne, Briggs, & Wagner, 1992; Rasmussen, 1986; Schneider & Shiffrin, 1977). Given the fair amount of overlap between them, they can all be summarized into a general typology that classifies both skills and tasks into three broad categories: cognitive, interpersonal, and psychomotor (Farina & Wheaton, 1973; Fleishman & Quaintance, 1984; Goldstein & Ford, 2002). Cognitive skills and tasks are related to the thinking, idea generation, understanding, problem solving, or the knowledge requirements of the job. Interpersonal skills and tasks are those that are related to interacting with others in a workgroup or with clients and customers. Because all training methods are capable of, and indeed are intended to, communicate specific skill, knowledge, attitudinal, or task information to trainees, different training methods can be selected to deliver different content (i.e., skill, knowledge, attitudinal, or task) information. Thus, the effect of skill or task type on the effectiveness of training is a function of the match between the training delivery method and the skill or task to be trained. Wexley and Latham (2002) highlighted the need to consider skill and task characteristics in determining the most effective training method.

**5. Objectives of this research**

1. To measure the effectiveness of training and development program in Hyundai motors India Ltd.,
2. To find out their performance of the employees after getting the training programme.
3. To compare the grading of the employees before and after training.
4. Suggestions to improve the training programme.

**6. Research Methodology**

The researchers have adopted descriptive research for this paper. This research includes surveys and fact- finding enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present. Primary data collection was followed to carry out this research project. The respondents were met personally and direct interview method was conduct to collect the data and also through questionnaire the data was collected. The Secondary data was collected from internal records of the company and manuals. The area of study is Hyundai Motors India Ltd., (HMIL), Irunkatukkotai, Chennai, India. The researchers have adopted Simple Random Sampling for
the study is Simple Random Sampling under Probability Sampling. The sample size is complex and involves several qualitative and quantitative considerations. Here Sample size is 200 employees of the organization.

6.1. Statistical Tool for Analysis

Tools used for the study are

- CHI – SQUARE
- Weighted Average Method

**CHI –SQUARE TEST:** \( (\chi^2) \rightarrow \) It is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. As a non-parametric test, it can be used to determine if categorical data shows dependency or the two classification are independent. It can also be used to make comparison between theoretical population and actual data when categories are used.

It is defined as

\[
\chi^2 = \sum (O_i - E_i)^2 / E_i
\]

Where \( \chi^2 \) = Chi-square
\( O_i \) = Observed Frequency
\( E_i \) = Expected Frequency

\( \chi^2 \) is always positive and it ranges from 0 to \( \infty \).

The expected value for the contingency tabulated as follows

\( E_i = ((\text{Row total}\times\text{Column total})/\text{Grand total}) \)

The sum of the observed and expected frequencies is always zero

i.e. \((O_i - E_i) = 0\)

The \( \chi^2 \) test depends on the set of observed and expected values and on the degrees of freedom

The \( \chi^2 \) distribution is the limiting approximation of multinational destination.

**Weighted Average Method**

Weighted average method is obtained on dividing the weighted moving totals by the sum of weights.

Weighted Average Mean = \[ \frac{\sum wx}{\sum x} \]

7. Results

**CHI-SQUARE TEST**

Table-1

**Relationship between Qualification of the employees and satisfaction with training programme**

**Ho:** There is no relation between the educational qualification and level of satisfaction with the location and qualification of the training facility.

**H1:** There is relation between the educational qualification and level of satisfaction with the location and qualification of the training facility.

**Case Processing Summary**

<table>
<thead>
<tr>
<th></th>
<th>Cases Valid</th>
<th>Missing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Percent</td>
<td>N</td>
</tr>
<tr>
<td>Qualification of the employees * satisfaction with training programme</td>
<td>200</td>
<td>100.0%</td>
<td>0</td>
</tr>
</tbody>
</table>

**Chi-Square Tests**

<table>
<thead>
<tr>
<th>Calculated value</th>
<th>Table value</th>
<th>Degree of freedom</th>
<th>Level of significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.163</td>
<td>0.352</td>
<td>3</td>
<td>5%</td>
</tr>
</tbody>
</table>
From the Table-1 it is found that the calculated value is (10.163) is greater than the table value (.352). Hence Ho is rejected and H1 is accepted. In this there is a relationship between the educational qualification and level of satisfaction with the location and qualification of the training facility.

Table-2
Relationship between Age and Satisfied With the Management Support
Ho: There is no relation between the age and satisfied with the management support.
H1: There is relation between the age and satisfied with the management support.

<table>
<thead>
<tr>
<th>Cases</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Valid</td>
<td>Missing</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Percent</td>
</tr>
<tr>
<td>Age of the employees * satisfied with the method adopted</td>
<td>200</td>
<td>0</td>
<td>200</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Chi-Square Tests

<table>
<thead>
<tr>
<th>Calculated value</th>
<th>Table value</th>
<th>Degree of freedom</th>
<th>Level of significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.682</td>
<td>12.5916</td>
<td>6</td>
<td>5%</td>
</tr>
</tbody>
</table>

From the Table-2 it is found that the calculated value is (6.682) is greater than the table value (12.59). Hence Ho is accepted and H1 is rejected. In this there is a relationship between the educational qualification and level of satisfaction with the location and qualification of the training facility.

Table-3
Relationship between year of service and satisfaction with the management support
Ho: There is no relation between the year of service and level of satisfaction with the management support.
H1: There is relation between the year of service and level of satisfaction with the management support.

Case Processing Summary

<table>
<thead>
<tr>
<th>Cases</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Valid</td>
<td>Missing</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Percent</td>
</tr>
<tr>
<td>Year of service of the employee * satisfied with management support</td>
<td>200</td>
<td>0</td>
<td>200</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Chi-Square Tests

<table>
<thead>
<tr>
<th>Calculated value</th>
<th>Table value</th>
<th>Degree of freedom</th>
<th>Level of significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.215</td>
<td>14.9</td>
<td>4</td>
<td>5%</td>
</tr>
</tbody>
</table>

From the Table-3 it is found that the calculated value is (14.9) is greater than the table value (5.99). Hence Ho is rejected and H1 is accepted. In this there is a relationship between the educational qualification and level of satisfaction with the location and qualification of the training facility.

Weighted Average Method

Table-4
To determine the quality of training facility

<table>
<thead>
<tr>
<th>S.No</th>
<th>Level of satisfaction</th>
<th>No. of respondents</th>
<th>Weighted point</th>
<th>Weighted score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Highly satisfied</td>
<td>73</td>
<td>5</td>
<td>365</td>
</tr>
<tr>
<td>2</td>
<td>satisfied</td>
<td>117</td>
<td>4</td>
<td>468</td>
</tr>
<tr>
<td>3</td>
<td>Neutral</td>
<td>10</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>4</td>
<td>Dis satisfied</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Highly dissatisfied</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>Total</td>
<td>200</td>
<td></td>
<td>863</td>
</tr>
</tbody>
</table>
Weighted average mean = Total points scored/Number of respondent
\[ = \frac{863}{200} \]
\[ = 4.315 \]

From the Table-4 it is found that From the above table it is inferred that the weighted average mean id 4. The employees are satisfied with the quality of the training facility.

**Table-5**

The respondents’ satisfaction level towards the method adopted for the training programme

<table>
<thead>
<tr>
<th>S.No</th>
<th>level of satisfaction</th>
<th>No. of respondents</th>
<th>weighted point</th>
<th>weighted score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Highly satisfied</td>
<td>75</td>
<td>5</td>
<td>375</td>
</tr>
<tr>
<td>2</td>
<td>satisfied</td>
<td>117</td>
<td>4</td>
<td>468</td>
</tr>
<tr>
<td>3</td>
<td>Neutral</td>
<td>0</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>Dissatisfied</td>
<td>8</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>5</td>
<td>Highly dissatisfied</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>total</td>
<td></td>
<td>200</td>
<td></td>
<td>859</td>
</tr>
</tbody>
</table>

Weighted average mean = Total points scored/Number of respondent
\[ = \frac{859}{200} \]
\[ = 4.295 \]

From the Table-5 it is found that it is inferred that the weighted average mean id 4. The employees are satisfied with the method adopted for the training programme.

**Table-6**

The respondents’ satisfaction level towards the management support

<table>
<thead>
<tr>
<th>S.No</th>
<th>Level of satisfaction</th>
<th>No. of respondents</th>
<th>Weighted point</th>
<th>Weighted score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Highly satisfied</td>
<td>120</td>
<td>5</td>
<td>600</td>
</tr>
<tr>
<td>2</td>
<td>satisfied</td>
<td>70</td>
<td>4</td>
<td>280</td>
</tr>
<tr>
<td>3</td>
<td>Neutral</td>
<td>0</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>Dis satisfied</td>
<td>8</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>5</td>
<td>Highly dissatisfied</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>total</td>
<td></td>
<td>200</td>
<td></td>
<td>898</td>
</tr>
</tbody>
</table>

Weighted average mean = Total points scored/Number of respondent
\[ = \frac{898}{200} \]
\[ = 4.49 \]

From the Table-6 it is found that it is inferred that the weighted average mean id 4. The employees are satisfied with the management support for the training programme.

**8. Findings**

The study shows that, 43.10% workmen have attended the Training Programme 1-2 times in a Year. A high of 47.50% workmen have attended the Training Programme 3-5 times in a Year. In this research it is found that 36% of respondents have undergone Behavioral or soft skill training programme, 28% of respondents had undergone Technical training program. 45% of respondents feel that they need Training at the Joining, 33.5% of respondents need training program for Self improvement. 192 respondents, a high of 96%, say training is effective for overall performance. In this research it is found that 36.5% of the respondents feel Quality is highly satisfied. 58.5% of the respondents feel Quality is satisfied. In this research it is found that 96.5 % respondent say training has increased the involvement level. In this research it is found that, 95 % of respondents said training programme is highly interactive. In this research it is found that, 95 % of the respondents feel method adopted for training programme is highly satisfied. 5% of the respondents feel method adopted for training programme is satisfied. In this research it is found that, 30 % of respondents said that they are choosing for training method on Lecture, 35% of respondents choosing the case study. In this research it is found that, 30.5 % of respondents said that they are choosing for coaching skills, 9.5%
of respondents are choosing the Team process, 60 % respondent they are choose the time management, and 20.5 % of respondent select the time management. In this research it is found that, 60%of the respondents feel method adopted for training programme is highly satisfied, and 35%of the respondents feel Management support is satisfied.

9. Conclusion
The most important capital that any company possesses is human capital. Training no doubt is a core tool towards process is continuous and effective, going beyond the routine to build the Human capital. The training imparted is effective and the employees strongly believe that training helps in fulfilling the objective, all the employees have a positive attitude towards training program. Coming to the perception of the employees towards training programs, the employees perceive the training programs to be very good. Finally from the study it is observed “HMIL aims to increase the knowledge and skills of the employees. It is suggested that To improve the participation in training programs the company has to provide additional incentives, increment in pay or for promotions which will motivate them to attend the programs and update the knowledge. The remarkable effectiveness in the employees has been observed in this research in spite of little difficulties. Therefore, the Assessment of the Employees Effectiveness Through Training and Development at Hyundai Motors India Ltd has been found out. We the researchers have found that instead of only lecture method and class room training on the job training in other destinations will improve the efficiency of the employee in implementing their knowledge. We recommend the future researchers in this field to enhance the scope of this kind of study into many areas to garner exact results and the findings would be beneficial to the employees as well as the industry.

References


