

Original research article

Influencing factors in employee performance at public enterprises

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Abstract: The main objective of the study was to examine factors that influence employee performance in general and, more specifically, in public enterprises. The research approach was qualitative, with an in-depth literature review and content analysis. The findings of the study reflect that some factors have a positive and some have a negative influence on employee performance. The study also shows a significant relationship between factors and employee performance, which in turn has a multiplier effect on employee development. Recommendations include the need to provide resources for employee training and development, and the strategic aims and objectives of public enterprises should be aligned with the training and development programs.

Keywords: assessment; impact; training and development; performance; public enterprises

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1. Introduction

According to Dessler^[1], human resource management is the process of hiring, training, evaluating, and rewarding people, as well as taking care of their labor relations, health and safety, and issues about fairness. Human resource management, to put it simply, has to do with how people behave inside an organization. According to Blen^[2], training is the process of imparting knowledge and skills to employees that are needed to complete a certain activity. Meraghni et al. define training as a logical and organized procedure that improves a person's knowledge and skills. Training is the systematic acquisition and improvement of knowledge, skills, and behaviors that are required of employees to execute job tasks or perform better in their workplace. In addition, training is an intentional improvement of attitude, knowledge, or skill through learning to achieve improved performance in a given task or a variety of tasks. Thus, the main purpose of training and development is to increase individual competencies and equip employees to meet the organization's present and future needs^[3] as this has an effect on employee performance and organizational success. Hence, based on human capital and resource-based theories adopting a qualitative research approach with in-depth literature reviews and content analysis, the main objective of the study is to examine and enhance the understanding of which factors influence employee performance in general and more specifically at public enterprises.

2. Literature review

Human resources form a critical component of modern businesses. Salah^[4] asserts that the success or failure of an organizations can be attributed to the quality of human resources in the organization. To become a successful organization, employees need to be trained. According to Karim et al.^[5], training is essential as it

improves employees' capacities, outlook, knowledge, and skills, which then leads to an improvement in their level of performance. According to Saleem et al., training is a process that enhances an employee's knowledge, exposure, and talents, as well as their current skill set. According to McDowall and Saunders, the importance of training has increased recently because more competent and moderately successful firms invest heavily in staff training. Employers heavily rely on the expertise and abilities of their staff to remain competitive and successful in the rapidly evolving technological world. As a result, significant and ongoing investment in training is necessary.

According to Blen^[2], the most significant effect of training on staff and the organisation is an improvement in output quality and quantity, enabling staff to operate more productively and effectively. As personnel with adequate training are less likely to make expensive mistakes, the effects extend to the growth in income. However, Blaine advises that training needs should be determined first in order to establish a well-structured training programme. A gap analysis is produced using the information acquired to help identify the mismatch between employee capabilities and what the organization requires of them^[6]. According to Goldstein and Ford, the process of developing a training programme is intended to address an employee's training needs. According to Redmond and Johnson, employees are more dedicated and willing to participate in training programmes if they are aware of the need for training.

Holden and Biddle make the case that investing in education has a clearly high rate of return and the potential to help achieve significant societal objectives. According to the concept of human capital, measures that support education could hasten both economic growth and the eradication of poverty. Also, the empirical evidence connecting education to those aims could be convincingly explained using the human capital theory. According to the human capital theory, training and development can help people perform and produce better^[7]. The argument backs up the inclination to invest in training and development because it improves employee performance and fosters an organization's expansion^[4]. There is now sufficient proof to show that an increase in training and development has a favorable impact on workers' performance.

Ruso and Fouts postulate that, in the resource-based theory view, resources are classified into three categories. The tangible resources refer to financial services, while physical resources such as plants and equipment are intangible and personnel-based. Intangible resources refer to human resources and reputation. Personnel-based resources include knowledge, learnability, culture, expertise, and commitment. On their own, these resources are not very productive. Since training is seen as an intangible resource that an organization can use to gain a competitive edge, a variety of criteria must be taken into account when making decisions on training and development, as these would aid in effective knowledge management, which is becoming more critical in the present knowledge-based economy^[8].

Sehilat defines employee development as a process that equips employees with the skills necessary to advance within an organization and be successful in roles that may not yet exist. Mullins asserts that development is a concoction of knowledge, experiences, relationships, attitudes, abilities, and behaviour that helps employees prepare for future positions. Its main purpose is to increase individual competencies and equip employees to meet the organization's present and future needs^[9]. The existing or prospective employment position of an employee is also a crucial deciding factor in the training model to be used. On-the-job and off-the-job training models are the two main types of training that can be implemented.

Employee performance is defined as "the level of success of employees in carrying out their duties and responsibilities"^[10]. The performance of employees against the performance standard set out by the organization provides a good indication of how well the employee is carrying out their tasks. Employees are a critical component of any business, and their success or failure is determined by their performance^[11].

According to Inscrição, employee performance is based on individual factors, such as abilities, knowledge, skills, experience, and personality. Measurements of performance include the profitability, efficiency, and effectiveness of completing a specific task^[3].

Training is a process that involves the knowledge, abilities, and attitudes necessary for an individual to perform well in any organization^[12]. According to Zondi et al.^[12], if training and development programmes are properly conducted, employee performance is significantly improved. Numerous organisations have been weakened by the COVID-19 outbreak and the turbulent business environment. To ascertain the effect of staff training programmes on performance and job satisfaction in Malaysian telecommunications organizations, Kanapathipillai and Azami^[13] performed a survey. The telecommunications industry, according to Kanapathipillai and Azami^[13], is a critical sector of the economy. To improve the organizations and regain a competitive edge, it is necessary to teach all of its staff members at all levels.

The effect of training and development on worker performance in Afghanistan's public sector organizations was examined by Shahim^[14]. The main conclusions were that there was a significant positive correlation between effective training and employee performance in the public sector and that the effectiveness of the training programme was greatly influenced by the design of the training, the calibre of the trainer, and the training experience. Basaria and Sudhakar evaluated the viewpoint and elements affecting the performance of employees as it relates to training and development. Examining the impact of training and employee development on performance was the main goal of their study. The study's findings indicated a significant link between employee performance and training and development. The researcher recommends to management that they keep spending money on educating employees to be more creative in order to improve performance and maintain competitiveness.

Numerous studies have been done in the past to examine how skill development and training affect employee performance^[4,15-18]. Yimam^[19] claims that training is a continuous process used to improve employees' performance in the research study to determine the impact of training on employee performance. Nama et al.^[20] conducted a study to determine whether coaching and mentoring helped empower municipal employees whose performance reviews revealed that they lacked the necessary abilities to deliver basic services. According to Adom, the Buffalo City Municipality in the Eastern Cape considers employee training and development to be a needless municipal expense. Contrary to what the municipality claimed, the study demonstrated that staff training and development increased productivity, morale, and job satisfaction in addition to employee performance. A study on the impact of training and development on employee performance in South African municipalities, specifically with reference to Umzumbe Local Municipality, was conducted in 2019 by Luthuli, Nyawo, and Mashau.

Assefa carried out a study to ascertain the effect of training and development on worker performance at commercial banks in Ethiopia. Employee training and development's main objective is to increase workers' knowledge and skills so that they can perform better. To evaluate performance, Assefa used the variables of motivation, efficacy, and job satisfaction. According to Dabale et al.^[21], a company's human resource quality determines whether it succeeds or fails. When used appropriately, training, which is a crucial component of the human resource system, has the potential to be much more dynamic and advantageous to the organization. Nassazi^[22], posits that an organization's human resources are one of its most valuable assets. It is crucial that the human resources department possess the abilities needed to effectively contribute to the organizational goals and objectives. According to Nassazi^[22], the impact of training and development on worker performance has not been thoroughly studied in developing nations.

3. Factors affecting employee development

Since development is based on personal drive and ambition, it becomes challenging because it requires an individual to have the willpower to advance further in life. Human beings are naturally in a state of inertia unless compelled by an external force. This makes it very complicated for human beings to optimally take advantage of opportunities that come with career development. Further, there is a link between organization tacit knowledge and learning opportunities for employees^[23]. Succession planning also becomes a challenge when employee development programmes are not aligned to organizational goals and objectives. Oshionebo opines that employee development programmes are ineffective when there is a lack of feedback from superiors. According to Antonacoupoulou, employee development focuses on progress and accepting difficult and more responsible roles in an organization's future. Employee development is dependent on each employee's willingness to participate in the development programme. We now discuss the important factors that influence employee performance and growth, namely, organizational culture, senior management's attitude toward staff development, and the lack of advancement opportunities, all of which affect the growth of an employee.

3.1. Organization culture

Organizational culture, according to Marcos, is the perceived subjective effect of the formal system, the informal management styles, and other significant environmental factors that affect the attitudes, beliefs, values, and motivation of employees in a given organization. It also includes a complex mixture of norms, values, expectations, policies, and procedures that affect individual and group behavior. The effects of organizational cultures on worker productivity and motivation might vary. If employees feel like they belong in the business environment, they frequently work harder to attain organizational goals. The performance of a company's workforce may also be impacted by different cultural perspectives.

3.2. Attitude of top management

If management buys into the idea of employee development activities, employees are more likely to grow and succeed. Leadership is crucial in this case since it often makes it possible for employees to operate successfully and efficiently^[24]. It has been demonstrated that effective leadership helps organizations achieve their objectives and improve employee performance. It is essential for a team to comprehend the leadership style in order to function as a unit, continue to grow, and accept change. With management's support, the organization can achieve its purpose by inspiring workers to work together toward a common objective and putting an emphasis on their wellbeing.

3.3. Limited promotion opportunities

Development and opportunities for promotion are closely interrelated. Antonacopoulou^[25] argues that if opportunities for promotion are limited, employees are less likely to participate in employee development activities as there seems to be no foreseeable reward to encourage them to participate.

4. Advantages of employee development

Adeniyi states that development assists employees in getting an overall picture of their organisation. This is important because employees understand the direction in which the company is heading and can align their development efforts with the organizational goals and objectives. Furthermore, development assists employees to achieve self-development and confidence. An employee who is properly groomed is able to handle stress, tension, frustration, and conflict better. In addition, this helps with job satisfaction and recognition from professional bodies within their field of expertise. Furthermore, employee development helps the employees improve their interaction skills and enable them to be part of the organization's strategic planning. There are

several activities that are used by organizations as part of the development process. There are two salient activities: the coaching of employees and the 360-degree feedback assessment. The two activities are described below:

Coaching: Agarwal et al. argue that coaching is an informal but important activity in the employee development process. This coaching involves a personal trainer guide, which helps an employee achieve both personal and organizational goals. Coaching should be regular and provide feedback to enhance the performance of the employee and the organization.

360-degree feedback: Hazucha et al. define 360-degree feedback as an employee review method that affords the employee an opportunity to receive feedback. This feedback can come from their immediate supervisors, co-workers, and other support staff. Employees, according to Hazucha et al., can only be developed if they have the desire or motivation to do so.

5. Training and development process

Employees are the backbone of the organization. The accomplishments or issues experienced by the organization are contingent on the performance of its employees^[26]. Therefore, it is vital for organizational leaders to recognize the importance of training and development in employee performance and evaluation. Enhanced capabilities, knowledge, and skills are the foundation for the organization's competitive advantage in today's global market. Hence, training and development are crucial activities for talent development. The training and development process is defined by Desimone et al.^[27] as the phase or stage within the training and development programme that is followed to guarantee that organizational goals are reached. The training and development process has four stages, as defined by Hussien, and they are as follows:

- Identification of training needs;
- Training design;
- Delivery of the training;
- Monitoring and evaluation.

Training and development not only enhance knowledge, skills, and attitudes, but they also offer several other benefits. According to Nassazi^[22], the benefits of employee training and development include:

- It increases employees' morale, confidence, and motivation.
- It lowers production costs because individuals are able to reduce waste.
- It promotes a sense of security, which in turn reduces turnover and absenteeism.
- It increases employees' involvement in the change process by providing the competencies necessary to adjust to new and challenging situations.
- It opens the doors for recognition, higher pay, and promotion.
- It helps the organization improve the availability and quality of its staff.

It is noteworthy to remember that individuals become more productive^[28], because training and development programs improve individuals' skills and abilities.

6. Employee performance

According to Cooke, performance is defined as the accomplishment of particular goals as assessed against specified targets. Therefore, an organization's ability to attain its mandate heavily relies on the performance

of its employees. According to Kidane^[29], employee performance should be evaluated in relation to the performance standards established by an organization. When employees fulfil the performance requirements set by their organization, they are deemed good performers; when they do not, they are deemed poor performers. The performance of employees is usually measured by output. Kidane^[29] claims that organizational performance standards are used to evaluate employee performance. Profitability, efficiency, and the effectiveness of executing a certain activity are examples of performance metrics. The capacity of a business to generate profits continuously throughout time is known as profitability^[29], Efficiency is the ability of employees to optimize the use of resources to achieve the desired outcome, and effectiveness is the ability to meet the set targets. Abdelhakim and Madgy^[30] define performance as the accomplishment or merely functional efficiency of employees. The author further stresses that every organization's primary goal is to raise performance levels. Only consistently effective employee performance can allow for this to happen. Employee effectiveness thus contributes to an organization's overall expansion. For a company to effectively manage its human resources and evaluate its employees in a way that fosters personal growth, enhances organizational performance, and informs business planning and performance evaluation^[31].

Van Dijk and Michal define performance appraisal as a process used to measure the performance of an employee against the requirements expected by the organization and to provide employees with feedback. It is a subjective form of appraisal of the employees. Strength and weakness are based on managers, peers, and self-assessment. Performance appraisals can be broken down into four main categories:

- **360-degree appraisal:** This is a type of appraisal where management gathers information about employee performance from supervisors, support staff, and self-assessment so that the information is used for appraisal.
- **Negotiated appraisal:** This is an evaluation method that makes use of arbitrators or third parties to measure the performance of an employee, typically a consultant hired by an organization to conduct this type of assessment.
- **Peer assessment:** This is an evaluation from co-workers and team members about the performance of an employee.
- **Self-assessment:** This is an evaluation done by the employees themselves to rate their performance on the job.

Shahim^[14] states that besides training, there are many other factors that affect employee performance. Some of the most important factors include leadership, coaching, empowerment, participation, motivation, the working environment, and organizational culture. According to Northouse's definition from 2007, leadership is the act of motivating and inspiring a group of individuals to accomplish common goals and objectives. According to Champathes^[32], coaching is a process aimed at enhancing employees' current performance. This involves two-way communication where the need for enhancement is recognised and the way to improve is established. According to Duvall, empowerment is the process of equipping individuals and an organization to achieve collective goals and objectives. Participation is about involvement or inclusion. Chen and Tjosvold stated that employee performance increases when they feel involved, as this gives them a sense of responsibility and authority. Organizational culture is about the collective beliefs and attitudes of the people working in an organization. Schein argues that the determining factor of organisational culture is the mindset of the people. Motivation influences people to behave in a certain way. Jobber asserts that a poorly motivated workforce can be very costly to an organization. Maintaining high employee motivation has many benefits for an organization because employees who are highly motivated are more likely to perform better. Motivated workers make fewer mistakes, which minimizes operating expenses. In addition, absenteeism becomes a thing

of the past, turnover is reduced, and less time is wasted^[14]. According to Collis and Hussey, there are numerous elements that influence how well individuals perform in an organization. This covers elements like an employee's aptitude, the training they receive, their drive and commitment, their welfare, management rules, their access to fringe benefits, their pay and benefits packages, their promotion prospects, and their communication skills. Thus, a high-performing employee has the ability to offer exceptional customer service, practice standard operational procedures, and be more accurate, effective, and efficient. This leads to organizational competence and growth.

7. Significance

Employees are the most valuable asset of the organization as they take responsibility for enhanced customer satisfaction and the quality of products and services. Without a clear picture and understanding of the factors that influence employee performance in general and, more specifically, in the public sector, it would not be possible to identify appropriate, proper training and development opportunities. Further, employees who are fully capable of performing their job-related tasks tend to be more productive due to higher job satisfaction. Training and development are vital tools used to not only maximize the performance of employees but also to help them become more efficient, productive, satisfied, motivated, and innovative in the workplace^[33]. This study will not only facilitate identifying the right learning opportunities for employees that will help the organization achieve its competitive posture in today's global market, but also craft appropriate human resources management and development strategies. Thus, the value of the study is concentrated on adding some knowledge to leaders, practitioners, and administrators regarding factors that influence employee performance and the need for human capital development.

8. Future areas for research

Future studies can examine the effect of training and development on dependent variables such as employee engagement, productivity, employee involvement, employee morale, and job satisfaction. This would provide critical input to employers, as it helps them make wise investments in human capital formation. The study focused on factors influencing public enterprises; hence, it may not be applicable to other industries, but it would be beneficial to consider researching other forms of enterprises and the private sector. In addition, the study can be extended to different regions and locations to increase reliability.

9. Conclusion

Some organizations do not place high priority on training and development programmes because they believe that they are an unnecessary investment and of little value. The study found a link between employee performance, training, and development. Based on the discussion above, it reflects that some factors have a good impact on employee performance. In conclusion, it can be safely said that training and development have a positive impact on employee performance. There are several advantages to training for both the employer and the employee. Employee morale is raised via training, and when morale is strong, workers are content with their work, perform better, and produce more. When performing their jobs, trained employees are more productive and efficient. Training allows employees to create conditions where costs are kept to a minimum and earnings are maximized, thus solving the optimization problem. Additionally, trained personnel require less supervision, which gives supervisors more time to focus on other duties. In terms of development, workers who receive a lot of training tend to be more devoted to their employers since they feel that they are a part of the business and its decision-making process. They believe that their career trajectories are in line with the goals and objectives of their organization. Employee development aids in self-actualization and confidence.

Developed workers are more likely to get promoted, take on far more difficult duties, and be able to earn more money. A well-groomed employee is better equipped to handle stress, anxiety, aggravation, and disputes. The growth and competency the organization achieves are the benefits of training and development for the organization. Workers who have received training are more likely to increase an organization's profitability. Training and developing employees can increase a company's appeal and encourage others to associate with it. A business that values employee development typically has devoted workers who will advance through the ranks as a result of well-defined succession plans.

Conflict of interest

The author declares no conflict of interest.

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