

## The Impact of Training and Development on Job Satisfaction: A Case Study of Private Banks in Erbil

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**Abstract:** The purpose of this study is to find out the impact of training and development on job satisfaction in private banks in Erbil. Many businesses have found that investing employees through training and development in order to enhance employees' efficiency extremely important. The study was carried out in private banks in Erbil. A quantitative method was used to analyze the current study, 89 participants were involved in this study. The researcher set two separate research hypothesis, the first research hypothesis which states that the training will have positive impact on job satisfaction in private banks in Erbil and the second research hypothesis which states that the development will have positive impact on job satisfaction in private banks in Erbil. According to multiple regression analysis, the researcher found out that the B value for Training = .367 > 0.01, which means that training will have positive impact on job satisfaction; therefore the first research hypothesis was supported and the B value of development is = .251 > 0.01, which means that the development will have positive impact on job satisfaction, therefore; the second research hypothesis was supported as well.

**Keywords:** Development, Erbil, Job satisfaction, Private Bank, Training

### 1. Introduction

In order organizations to be able to thrive and survive in today's competitive marketplace and economy, the idea of job satisfaction is now extremely significant for many private banks in Erbil. Numerous organizations have found that investing employees through training and development in order to enhance employees' efficiency extremely important, consequently organizations will be able to obtain a better return in human capital investment by increasing employees' level of job satisfaction. Today in many organizations employers are concentrating on employee training and development as one of the most effective method to retain their employees. According to (Mudor & Tooksoon, 2011), at the present time many employees know that they have other options and opportunities, therefore; in case when they feel unhappy and unpleasant at their current position they will move over to another organization. The main duty of employer would be to make sure that each employee is satisfy with their current position. An effective employer is able to know how to retain and attract employees at the same time. This can be obtained by providing an effective employee development and training. The main research aim is to find out the influence of employee training and development on job satisfaction in private banks in Erbil.

## **2. Literature Review**

### **2.1 Training**

Training is defined as function that comprises all procedures of activities learning experiences whose aim is to influence and increase performance and other behavior through skills, attitudes, new knowledge and beliefs (Quresh, 2010). Therefore, training replicates activities that are planned to affect the capability and inspiration of employees. Researchers concluded that employee training has a positive impact on job satisfaction; such as, increasing productivity where employers and employees were able to contribute their performance through employee training and share the benefits from training. Training comprises management development, education, traditional training and vocational training (Batool & Batool, 2012). Training is defined as a learning method offers to individual with a clear explanation and understanding of the performance standard and value of the organization. The significance of employee training is to identify and distinguish the skill gaps of the organization. The gap will be the skills and capabilities that current individuals have within an organization and the skills and capabilities that an organization would like to have or required (Farooq & Khan, 2011).

Employee training will assist a business management in order requirements and needs, also enhancing business' market value. Training considers an added value to individuals who will be trained, as the same time training will add value to the organization itself. The aim of the training is to obtain the capability which links to the group or an individual within an organization in order to achieve an effective performance. Human capital considers as a core of the business's success, such us employee's experience, capabilities, knowledge and skills. Consequently, it is enormously significant to frequently educate the individuals and develop their possible and information. Training goals to increase performance standards and efficiency by changing individual's behavior within an organization, the process of training contains development, analysis, design, execution and assessment (Jehanzeb & Bashir, 2013).

### **2.2 Development**

Development is defined as organizational actions and activities and managers have partial control over these actions and activities (Shen, 2005). Development considers as an importance function in human resource management, it provides an excellent opportunity to individuals to enhance their level of performance standards and to clarify organizations' future directions (Hameed, 2011). Employee development seeks for all activities that have potential growth, learning and participation to attain both individual and organizational goal and set of goals. A learning process relies on individuals' interests, capabilities, understanding, personalities, skills and aptitudes. Abilities and skills developed through individual development are generally planned for future application (Pearson & Brew, 2002). An organization will get many benefits when a manager supports and guides employee development. Organization can implement development process by job rotation, promotion, education, job enlargement, job experiences, skills and interpersonal relationship. Organizations' engagement in the activities of development differs based on the organization strategy, conditions and other characteristics (Udaya, et al., 2011).

### 2.3 Job Satisfaction

Job satisfaction is an attitude which is a consequence of outline and consistent of many precise likes and dislikes experiences with the job (Kabir, 2011). A job satisfaction for an individual considers as a degree of satisfaction and it depends on the job. Job satisfaction is a vital pointer of how an individuals' feel regarding of the job and defines how much they are satisfied with their job (Khan, et al., 2012). The level of satisfaction of individuals linked with rise of organizational output (Lambert, et al., 2001). Job satisfaction of an individual considers an important factor is to the achievement of an organization. In every organization a high rate of individuals' satisfaction is strongly correlated with a low level of employee turnover (Ghafoor, 2012). Therefore, keeping individuals happy and satisfied with their present job would be a leading priority for every organization. Human resource management practices attempt to allocate and assign the human capital in the great potential ways to attain long term organizational objectives, they offer penalty of advantages and benefits resulting increasing level of job satisfaction, motivation and improving organizational performance (Jeet, 2014)

Conceptual framework  
Research model

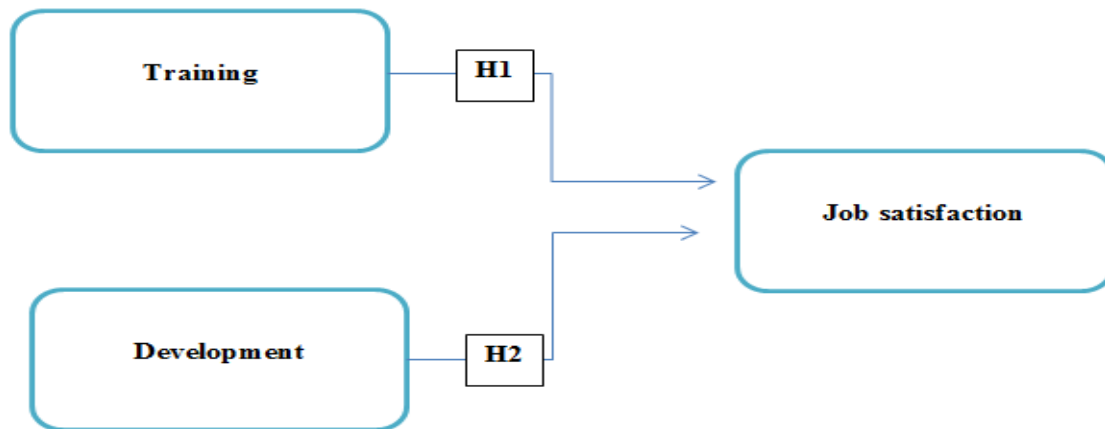


Figure 1-Research model

Research Hypothesis:

H1: There is a positive impact of training on job satisfaction in private banks in Erbil.

H2: There is a positive impact of development on job satisfaction in private banks in Erbil.

### 3. Methodology

#### 3.1 Research Design

The quantitative method used in order to analyze the present study. The researcher used a survey in order to gather information regarding employee training and development as well as job satisfaction in private

banks in Erbil. A survey consisted of two different sections; the first section was regarding participants' demographic questions and the second section was divided into three separate parts. The first part was related with employee training questions, the second part was related with employee development questions and lastly, the third part was related with job satisfaction questions at banking sectors in Erbil.

### 3.2 Sampling

A random sampling technique was used to distribute the survey. The researcher distributed 122 questionnaires, however out of 122 questionnaires only 89 questionnaires were received and were completed properly.

### 3.3 Instruments

The researcher used five point likert scales ranging from strongly disagree to strongly agree. The questionnaire was adapted from three different sources. In terms of questions regarding to employee training adapted from (Iqbal, et al., 2011). In terms of questions regarding to employee development adapted from (Nittana & John, 2013) and finally, In terms of questions regarding to job satisfaction adapted from (Atteya, 2013).

### 3.4 Data Analysis and Results

Table 1-Demographic analysis

| Items     | Scales      | Frequency | Percent |
|-----------|-------------|-----------|---------|
| Age       | 18-25       | 15        | 16.9    |
|           | 26-35       | 29        | 32.6    |
|           | 36-45       | 29        | 32.6    |
|           | 45-55       | 14        | 15.7    |
|           | 56+         | 2         | 2.2     |
| Gender    | Male        | 64        | 71.9    |
|           | Female      | 25        | 28.1    |
| Education | High school | 5         | 5.6     |
|           | Diploma     | 13        | 14.6    |
|           | Bachelor    | 45        | 50.6    |
|           | Master      | 17        | 19.1    |
|           | PhD         | 9         | 10.1    |

As seen in (1), the demographic analysis for participants participated in this study, 15 participants were from 18 to 25 years old, 29 participants were from 26-35 years old, 29 participants were from 36-45 years old, 14 participants were from 45-55 years old and only 2 participants were 56 years old and above. Regarding to the participants' gender, 64 participants were male and 25 participants were female, and finally in terms of participants' level of education, 5 participants obtained high school degree, 13 participants obtained diploma degree, 45 participants obtained bachelor degree, 17 participants obtained master degree and 9 participants obtained PhD degree.

Table 2- Factor analysis

| <b>Factor</b>           | <b>Items</b>   | <b>Factor loading</b> |
|-------------------------|--|-----------------------|
| <b>Training</b>         | Our organization conducts extensive training programs for its employees in all aspects of quality.     | .959                  |
|                         | Employees in each job will normally go through training programs every year                            | .756                  |
|                         | Training needs are identified through a formal performance appraisal mechanism                         | .957                  |
|                         | There are formal training programs to teach new employees the skills they need to perform their jobs   | .711                  |
|                         | Training needs identified are realistic, useful and based on the business strategy of the organization | .834                  |
| <b>Development</b>      | Job security and stability are guaranteed to employees   | .969                  |
|                         | Training focuses on problem solving and decision making  | .849                  |
|                         | A trainee has been given an opportunity to perform learned skills                                      | .714                  |
|                         | Self-confidence is built through feedback and positive reinforcement                                   | .823                  |
|                         | Employees are assisted in planning their career advancement  | .912                  |
|                         | Career progression is based on individual work performance   | .898                  |
|                         | A trainee is encouraged to raise questions during training   | .787                  |
| <b>Job satisfaction</b> | I consider my job unpleasant.  | .656                  |
|                         | I am often bored with my job.  | .734                  |
|                         | I feel fairly well satisfied with my present job.  | .858                  |
|                         | Most of the time, I have to force myself to go to work.  | .797                  |
|                         | Most days, I am enthusiastic about my work.  | .911                  |
|                         | I am disappointed I ever took this   | .691                  |

Factor analysis determines essential variables that clarify the outline of associations within a set of perceived variables. Factor analysis is frequently used in reducing data to classify a small number of variables that clarify most of the variance perceived in greater number of visible variables. Table (2) indicates that the training factor has 5 items, development factor has 7 items and job satisfaction factor has 6 items.

Table 3-Reliability Statistics

| Factor                                     | Cronbach's Alpha | N of Items |
|--|------------------|------------|
| Training                                   | .811             | 5          |
| Development                                | .856             | 7          |
| Job satisfaction                           | .787             | 6          |
| Training, development and job satisfaction | .818             | 18         |

As seen in table (3), the reliability analysis for training and development as independent factors and job satisfaction as dependent factor. According to the reliability tests, the researcher found out Cronbach's Alpha for training factor = .811 for 5 items which are greater than .6 this means that 5 items for training factor were reliable for this study, Cronbach's Alpha for development factor = .856 for 7 items which are greater than .6 this means that 7 items for development factor were reliable for this study, the Cronbach's Alpha for job satisfaction as dependent factor = .787 for 6 items which are greater than .6 this means that 6 items for job satisfaction factor were reliable for this study and the the Cronbach's Alpha all factors = .818 for 18 items which are greater than .6 this means that 18 items for all factors were reliable for this study

Table 4-Correlation Analysis

| Correlations     |                     |          |             |
|------------------|---------------------|----------|-------------|
|                  |                     | training | development |
| Job Satisfaction | Pearson Correlation | .431**   | .417**      |
|                  | Sig. (2-tailed)     | .000     | .000        |
|                  | N                   | 89       | 89          |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

As seen in able (4), shows the Pearson correlation analysis between independent factors (training and development) and dependent factor (Job satisfaction). In terms of the correlation between training and job satisfaction, the value of  $R=.431^{**}$  this means that training is significantly correlated with job satisfaction and the correlation between development and job satisfaction, the value of  $R=.417^{**}$  this means that development is significantly correlated with job satisfaction.

Table 5-Model Summary

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .453 <sup>a</sup> | .205     | .186              | .33210                     |

a. Predictors: (Constant), development, training

As seen in the table (5), the value of R square = .186 which indicates that 18.5% of variables have been explained.

Table 6-ANOVA

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.              |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1     | Regression | 2.444          | 2  | 1.222       | 11.078 | .000 <sup>b</sup> |
|       | Residual   | 9.485          | 86 | .110        |        |                   |
|       | Total      | 11.928         | 88 |             |        |                   |

- a. Dependent Variable: satisfaction  
 b. Predictors: (Constant), development, training

Table (6) shows the value of F for an independent factors and a dependent factor is 11.078 >1 which indicates there is a significant association between two independent factors and dependent factor.

Table 7- Coefficients<sup>a</sup>

| Model |             | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-------|-------------|-----------------------------|------------|---------------------------|-------|------|
|       |             | B                           | Std. Error | Beta                      |       |      |
| 1     | (Constant)  | 1.055                       | .497       |                           | 2.125 | .036 |
|       | training    | .367                        | .200       | .271                      | 1.837 | .070 |
|       | development | .251                        | .175       | .212                      | 1.435 | .155 |

- a. Dependent Variable: satisfaction

As seen in table (7), the multiple regression analysis for this study. As seen in the above table the B value for Training = .367 > 0.01, which means that training will have positive impact on job satisfaction and the B value of development = .251 > 0.01, which means that the development will have positive impact on job satisfaction

#### 4. Conclusion

The purpose of this study is to find out the impact of training and development on job satisfaction in private banks in Erbil. The research findings showed that the Pearson correlation analysis between independent factors (training and development) and dependent factor (Job satisfaction). In terms of the correlation between training and job satisfaction, the value of R=.431\*\* this means that training is significantly correlated with job satisfaction and the correlation between development and job satisfaction, the value of R=.417\*\* this means that development is significantly correlated with job satisfaction. The researcher set two separate research hypothesis according to research model, the first research hypothesis which states that the training will have positive impact on job satisfaction in private banks in Erbil and the second research hypothesis which states that the development will have positive impact on job satisfaction in private banks in Erbil. According to multiple regression analysis, the researcher found out that the B value for Training = .367 > 0.01, which means that training will have positive impact on job satisfaction; therefore the first research hypothesis supported and the B value of development = .251 > 0.01, which means that the development will have positive impact on job satisfaction, therefore; the second research hypothesis supported as well.

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