

Supporting organizational strategies



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Introduction Globalization and liberalization in recent years has resulted in the need of enhance international competitiveness in organizations and has been the driving force behind the strong emphasis on human resources development and training. There is the increasing need for a highly flexible and adaptable workforce to meet the challenges of new technology and increased competition (Jeffrey, 1994).

Extensive training and skill development has been realised to facilitate not only economic recovery in times of crisis in an economic systems, but also in improved performance for firms. According to a survey conducted by New Zealand's Business NZ and the Industry Training Federation in 2003 (Jeremy et al, 2003), 55% responding firms indicated that the need to continue to provide training, or begin providing training, within the enterprise depends on shortage of skilled workers and if suitable courses to meet such training needs were available. Other important drivers for training were identified as customer requirements (49%), a desire to growth within the enterprise (48%), skill shortages in the industry (where these exist) (48%), and actual growth in the enterprise (47%). All in all, it was realized that firms involved in training and skill development gained much from the training.

When firms take on extensive training and skill development, there is that tendency that quality of output will improve. Employees who have gone through such training learn new ways of production and ameliorate their ideas of the whole production process.

Looking at theories of motivation, employee motivation leads to survival and positive productivity within the firm (Smith, 1994). It is absolutely important for managers to understand what makes employees motivated, because employee motivating factors are complex and change everyday (Bowen and <https://assignbuster.com/supporting-organizational-strategies/>

Radhakrishna, 1991). Therefore, just that aspect of recognition within the industry to undergo training and skill development to some employees is a motivating factor (Vroom, 1964).

When employees are motivated, there is increase in productivity and consequently growth in the business. Therefore through skill development and training programs, there is obviously employee motivation and increase knowledge in new production skills and consequently, business growth.

When employees gain new skills, there is considerable positive effect on health and safety of the enterprises. This is because, when new skills are gained, the company stands a better competitive place on the market with her competitors due to increase productivity and quality products.

Extensive skill development and training provided a positive effect for the firm to be able to retain staff. There is some stability on staff within the company as those who have undergone training feel being recognized as part of the enterprise and prefer staying on the spot. We should remember here that, money is not the sole factor that may keep employees loyalty to one enterprise, but that aspect of self esteem (Herzberg, Mausner, & Snyderman, 1959).

Innovation within the firm is increased due to training and skill development. Employees become more committed especially when they are assigned tasks to perform within the enterprise and they obviously take these tasks seriously (Lindner, 1998).

A positive profitability for the firm is created as the enterprise has in place skilled workers who have obviously increased productivity and quality output. In this instance, since the enterprise can meet competition, sales will obviously increase

Cost of production will be positively affected by such training and skill development. In such situations, there is some reduction on production costs and wastes are minimized.

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