

**EXTENT TO WHICH FIRMS ALIGN THEIR TRAINING AND
DEVELOPMENT PROGRAMS TO THEIR BUSINESS STRATEGIES: A
SURVEY OF LARGE MANUFACTURING COMPANIES IN NAIROBI**

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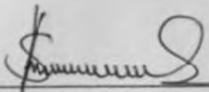
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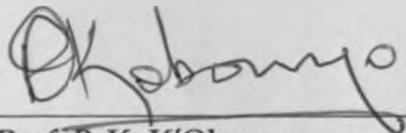
DECLARATION

This research project is my original work and has never been presented in any other university or college for the award of degree, diploma or certificate.

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DEDICATION

To the pillars in my life; my mum Lucy, my dad Chris, my husband John and my lovely sons Edward and Ron

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ABSTRACT

This research project sought to determine the extent to which firms align their training and development programs to their business strategies. To achieve this objective, data were collected through a survey of large manufacturing companies in Nairobi. Data was collected using a structured questionnaire with both open-ended and closed questions. Responses were received from thirty large manufacturing companies giving a response rate of 60%.

The findings of the study showed that among the major factors considered by the companies when choosing training and development programs, the most important factor considered is that training and development programs are aligned to business strategy (73.33%). The study also reveals that 70% of the companies consider evaluating the effectiveness of training and development programs among the major duties of the person charged with training and development programs. Evaluating the programs ensures that they are aligned to business strategies.

From the study, it was also evident that 76.67% of the firms considered improving customer service as one of the major benefits accruing from training and development programs and 73.33% of the companies consider enabling the company to achieve its business strategies as another major benefit. The study also indicated that most companies face challenges as they try to align training and development programs to business strategies including replacement of staff when attending training, lack of funds to conduct training programs and resignation of staff to rival firms after being trained.

The study concluded that companies align their training and development programs to their business strategies to a large extent. It also concluded that most organizations have a systematic training and development process which lays emphasize on evaluating effectiveness of training and development programs.

CHAPTER 1

INTRODUCTION

1.1. Background

Sloman (1999) argues that globalization and technology are irreversible trends that affect all businesses. He further states that the emphasis is therefore on speed to market where boundaries are blurred. This view implies that customers have become sophisticated, new thinking is taking place and management must therefore decide how to position their firms.

The enormous growth and changes brought about by globalization and technology offers training and development a big opportunity because firms are increasingly trying to identify and consolidate their core activities and to innovate using those capabilities. Management must be convinced that training is a key part of survival and prosperity. Training must be seen to contribute to the active management of the appropriate organizational response to continual changes. Adelsberg and Trolley ((1999) suggest that executives see a widening gap between the skills and knowledge that businesses require versus those that the workforce can offer and as a result there is now a virtual consensus among executives that learning must be a major factor in their ongoing strategies for business success.

Training and development is one of the most pervasive methods of enhancing the productivity of individuals and communicating organizational goals to new personnel. Given the importance of and potential impact of training on organizations and the costs associated with the development and implementation of training, it is important that practitioners have a better understanding of the relationship between training and development programs and business strategies.

Training outcomes are generally expected to improve performance whether the specific objective is to reduce the number of customer complaints or to reduce the rate of product rejection.

1.1.1. Training and Development

Bernardin and Russell (1998) define training as an attempt to improve employee performance on a currently held job or one related to it. Training therefore means changes in specific knowledge, skills, attitudes or behaviors. They further go on to mention that to be effective training should involve a learning experience, be a planned organizational activity and be designed in response to identified needs. The definition implies that ideally, training should be designed to meet the goals of the organization while simultaneously meeting the goals of the individual employees. Pepper (1992) describes training as that organized process concern with the acquisition of capability or the maintenance of existing capability. The training process is seen as well defined phases of decision-making and action.

The ultimate goal of any training program in an organization is therefore to produce competent employees who can safely, effectively and efficiently perform the tasks required to meet organizational requirements. Training also ensures that employees are kept up-to-date with the changes that are taking place in the business environment. As an organization implements new technology in the work environment, training will also be needed to make sure the employees have the knowledge and skills to take advantage of the new tools. It can therefore be assumed that failing to train people or providing inadequate or inappropriate training creates hidden costs.

Gilley and Maycunich (2000) describe development of employees as increasing the knowledge, skills and competencies of employees, which enhances their performance capacity and capability. They further describe development as increasing an organization's efficiency, improving its effectiveness, enhancing its renewal capacity, and improving its competitive practices. Bernardin and Russell (1998) refer to development as the learning opportunities designed to help employees grow. Such opportunities do not have to be limited to improving employees' performance on their current jobs.

From the definitions above, it is clear that the focus of development is on the long-term and it aims at helping employees prepare for future work demands or career goals. Training on the other hand focuses on the immediate period to help fix any current deficits in employees' skills. Training is usually considered hand in hand with development. Most companies view Training and development as an integral part of human resources development.

Gilley and Maycunich (2000) point out that in some organizations, managers in charge of training may select training programs from a variety of vendors as in this way, programs are easy to administer and manage. Training programs from vendors are seen as easy to build, downsize and are easily comprehended and justified. In the vendor-driven approach, managers in charge of training believe their job is to provide employees with a comprehensive and complete list of training courses. All too often, they pay little attention to why employees participate in training as long as they attend some training class each year. Additionally, training is sometimes viewed as a reward for a job well done.

In the vendor driven approach mentioned above, the manager in charge of training often views his or her primary responsibilities as to identify, evaluate, and select training programs from a myriad of outside training consultants. The

practitioners who use the vendor-driven approach are referred to as “brokers of training programs”. This approach implies that training for training’s sake is the training practitioner’s main duty.

1.1.2. Business Strategy

Johnson and Scholes (2002) define strategy as the direction and scope of an organization over the long term, which achieves competitive advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations.

The firm’s strategy is a bridge connecting where the company is today and where it wants to be tomorrow and the question is how the company gets there. Dessler (2005) describes strategy as a course of action which shows how the enterprise will move from the business it is in now to the business it wants to be in as stated in its vision, mission, and goals, given its opportunities and threats and its internal strengths and weaknesses.

Marchington and Wilkinson (2002) state that one of the obstacles to converting strategy into practice is lack of training typically provided for line managers and supervisors. Given the prominence accorded in mission statements to ‘investing in employees’, it might be expected that considerable time and effort would be expended on developing first line managers. Marchington and Wilkinson (2002) further note that the reality however is rather different and in practice, training in people management tends not to be a key priority in organizations. This therefore leads to managers and supervisors who may not be sufficiently competent in articulating business strategies and cannot therefore cope with the responsibilities required to pursue the strategies.

1.1.3. Aligning Training and Development Programs to Business Strategies

Huang (2001) states that an educated and well-trained workforce is considered to be essential to the maintenance of a business firm's competitive advantage in a global economy. It is therefore important to note that training can and should be a powerful agent to facilitate a firm's expansion and the development of its capabilities, thus enhancing profitability.

The most effective companies look at training and development as an integral part of a human resource development program that is carefully aligned with corporate business strategies. Shandler (1996) lists among the new corporate realities the fact that strategic human resource development actions must be aligned with corporate business strategies. He further states that human resource development must assume a proactive leadership role in responding to business and training needs. As firms continue to become more competitive, greater demands have been felt for training on managing change, creativity and quality improvements.

Aligning training and development to the business is a complex and never-ending chore. Anderson (www.clomedia.com) states that the speed with which organizations can adapt their strategies and their workforce to new conditions predict the strength and opportunities the company can expect to leverage in the future. He states that the process of organizational alignment is a constant struggle between the cosmic forces of entropy that drive organizations toward an ever more disorganized state and the forces of ectropy that encourage alignment and order as a result of growth and development and the epicenter of the struggle is in the training and development domain. Companies are considering the strategic advantages of training and development more seriously.

Bernardin and Russell (1998), suggest that the first step in training is to determine that a need for training actually exists. An organization should commit its resources to a training activity only if the training can be expected to achieve some organizational goal. 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. Training needs assessment is the vital step for designing and choice of appropriate training and development programs.

Pepper (1992) states that the situations, decisions and events that cause changes in a company's operations and systems, are the training "opportunity generators". Before training an employee, it obviously makes sense to know whether the person really requires training and, if so, what the training should achieve and of what benefit it will be to the company.

Training needs can be described as discrepancy between the performance desired and what actually exists. Pepper (1992) describes a needs assessment as a three-step process that consists of organizational analysis, task analysis and person analysis. Conducting systematic needs assessment is thus a crucial initial step to the choice of training programs in organizations and it can substantially influence the overall effectiveness of training programs. A systematic needs assessment can guide and serve as the basis for the design, development, delivery and evaluation of the training programs. Consequently, the presence and comprehensiveness of needs assessment should be related to the overall effectiveness of training because it provides a mechanism whereby the questions central to successful training programs can be answered.

In choosing training and development programs, systematic attempts to assess the training needs of the organization, identify the job requirements to be trained, and

identify who needs training and the kind of training to be delivered should result in the chosen program being more effective and aligned to the business strategy. Easterby-Smith and Lyles (2005) state that for knowledge to become a source of competitive advantage, firms need to match their learning strategy with their business strategy. It can therefore be expected that when a firm's learning strategy matches its business strategy, the impact of knowledge and learning is positive. If this match is not achieved, knowledge and learning may have no impact or even have a negative impact on performance. Patton and Marlow (2002) point out that human resource development emphasizes the establishment of a clear link between business strategy and training and development initiatives. This study intends to establish the extent to which firms align their training and development programs and business strategy.

1.1.4. Training and Development by Kenyan Organizations

Training by organizations in Kenya started in the form of industrial attachment and was in the form of technical, industrial, vocational and entrepreneurial training (Directorate of Industrial Training Vol. 9, 2006). When Kenya attained independence in 1963, the new Government was faced with massive unemployment among the youth, whose expectations and hope for better living standards were raised through the political campaigns. It was evident that whereas there were employment opportunities in the public and private sector, there was lack of relevant skills, which stood in the way of gainful employment for most citizens. (Directorate of Industrial Training Vol. 9, 2006)

To address the problem of acute shortage of skills in the country, the Government and Parastatals started sponsoring trainees for various courses. It however transpired that as soon as the trainees graduated, they were lured by the Private Sector which offered better terms and conditions of employment. The

Government then enacted a law to ensure that even private sector firms contributed to the training levy. Under the provisions of the Industrial Training Act (Cap. 237) Laws of Kenya, all employers are required to register and pay training levy to the Directorate of Industrial Training. Every company with more than 4 employees is required by the Kenyan law to pay training levy to the Directorate of Industrial Training (excluding schools, hospitals and hotels). Failure to register and pay the training levy is an offence punishable in a court of law (Directorate of Industrial Training Vol. 9, 2006).

Employers are expected to seek training and get refund from the Directorate of Industrial Training as a supplement for their efforts to undertake training. The purpose of the levy is to aid manpower development efforts so that the employer and the industry as a whole have qualified manpower and therefore able to reap optimum surplus due to increased productivity.

The Directorate of Industrial Training regulates technical and managerial training in Kenya. As a regulating body vested with the responsibility of securing the greatest possible improvement in the quality and efficiency of the training of personnel engaged in the industry, ensuring an adequate supply of properly trained manpower at all levels of industry and sharing the cost of all industry training undertaken among other functions.

Globalization has changed the training trend in Kenya. The nation faces challenges that call for changes towards modern methods of satisfying consumers on the local and global markets. Companies have had to adapt wide range changes in management and technology and this has necessitated training. Automation and more efficient methods of production have replaced many jobs. Training in Kenya is presently at its peak as a matter of necessity other than choice. This is clearly evidenced by the increase in the number of institutions

seeking training with organizations. The number of firms offering corporate training programs has increased a great deal.

1.1.5. The Kenyan Manufacturing Industry

There are about 600 large manufacturing firms spread across 16 industrial sub sectors in Kenya. Both public and private sector firms are represented but the participation of the public sector is on a decreasing trend due to change in government policy. Within the private sector companies are those owned and operated by both local and foreign investors (Hazlewood, 1979, Langdon, 1981).

Kenya has a manufacturing sector serving both the local market and exports to the East African region. The sector, which is dominated by subsidiaries of multinational corporations, contributed approximately 13% of the Gross Domestic Product (GDP) in 2004 (Kenya Association of Manufacturers, 2005).

The rising level of poverty in Kenya has continued to inhibit growth in the demand of locally manufactured goods as effective demand continues to shift more in favor of relatively cheaper imported items. In addition, the high cost of inputs as a result of poor infrastructure has led to high prices of locally manufactured products thereby limiting their competitiveness in the regional markets and hampering the sector's capacity utilization. However, the recent introduction of the East African Community Customs Union provides Kenya's manufacturing sector, the most developed within the region a greater opportunity for growth by taking advantage of the enlarged market size, economies of scale and increased intra-regional trade. Improved power supply increased supply Large-scale manufacturing firms in Kenya have a long history.

The Kenya Association of Manufacturers was established in 1959. It is the voice of industry and premier representative organization for manufacturing value added industries and other related sectors. The association provides an essential link for cooperation, dialogue and understanding with the Government by promoting trade and investment, up-holding standards and representing members' views and concerns to the relevant authorities

Considering the Government's vision 2030, manufacturing firms must play a considerable role in this. We would expect that to do this, training and development programs especially would be very important. This study will therefore seek to establish the relationship between training and development programs and business strategies for firms in the manufacturing sector.

1.2. Statement of the Problem

Corporations are offering a variety of training programs to meet their corporate needs. As organizations continue to focus upon accountability and efficiency of human performance interventions, there is a continuing interest in being able to account for the value or impact of such interventions. This change has been driven by the competitive nature of the international economy and resulting changes in organization structure, which produces flatter, thinner and fewer administration cost centers. Pepper (1992) points out that the identification of training needs is a prerequisite for training action. This is a point that hardly needs emphasis yet in practice, the actual identification of those people, situations and events which demand training attention is a much more difficult exercise than it might appear. In a large organization, there may be a lot of training going on. The question to ask is, "is it the right training?"

Gilley and Maycunich (2000) suggest that most human resource development programs are not linked to strategic business goals of the organization. Consequently, interventions and initiatives are implemented in a vacuum as little attention is paid to the problems facing the organization and how training and development programs could be used to address them. As a result, employees fail to receive the type of learning and reinforcement needed to improve performance. Training and development activities have implications for attempts to motivate and empower the workforce with an aim of improving performance. If training is conducted with no direct link to the organization's business strategy, its effect on performance will be minimal, if at all. It is therefore important to determine if organizations consciously align their training and development programs with the strategic goals of the business.

A review of literature reveals that several studies on training and development have been done in the past including Bungu (1994), Azegele (2005) and Nguku (2006). While each of these studies focused on some aspect of training and development, none has focused specifically on the alignment of training and development programs and business strategies.

Since training and development programs are expected to empower employees to contribute effectively to a firm's business strategies and objectives, it is important to find out the extent to which firms deliberately ensure that their training programs are geared to the development of skills and abilities that are required to pursue specific business strategies.

1.3. Objective of the Study

To establish the extent to which large manufacturing firms in Nairobi align their training and development programs to their business strategies.

1.4. Importance of the Study

The results of this study will:

1. Bring to light the current role of training and development programs in achieving business goals for manufacturing firms in Nairobi.
2. The study will also add to the scope of knowledge and therefore academicians could use the findings as a basis for further research.
3. Enable firms realize the value of aligning their training and development programs to their business strategies.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

This chapter covers definitions of training and development and clearly outlines the training and development process. It also covers the definition of business strategy and examines the importance of aligning training and development programs to business strategy.

2.2. Training and Development

Armstrong (2003) describes training as the use of systematic and planned instruction and development activities to promote learning, which is the process by which a person acquires new knowledge, skills and capabilities. He argues that the objective of an organization's policies, processes and programs for the delivery of training is to achieve its human resource development strategies by ensuring that it has the skilled, knowledgeable and competent people required to meet its present and future needs. Dessler (2005) on the other hand defines training as the methods used to give new or present employees the skills they need to perform their jobs. He points out that training is a hallmark of good management and task managers ignore it at their peril. From the two definitions, it can be deduced that good training is vital to any organizational success.

Gilley and Maycunich (2000) describe development of employees as the process of increasing the knowledge skills and competencies of employees, which enhances their performance capacity and capability. They argue that this reflects a philosophical commitment to the professional advancement of those within the

organization and development therefore refers to increasing an organization's efficiency, improving effectiveness, enhancing its renewal capacity, and improving its competitive practices.

Training can be used in a range of different circumstances and contexts, which clearly has an effect on the design of programs. Marchington and Wilkinson (2002) point out that training can be used in three different ways. First, as a socialization initiative, a mechanism for inducting new employees and ensuring that they learn about the jobs or tasks they are to undertake, as well as about the organization and department of which they are a part. Second, training can be used as a development initiative by preparing employees for promotion, helping them cope with new technology or organizational change. Third, training can be used as a way in which to correct unsatisfactory performance, as part of a corrective initiative in cases where individuals are found to be working below acceptable quality, output or customer service standards.

Training is defined by Pettinger (2002) as that organized process concern with the acquisition of capability or the maintenance of existing capability. He also points out that to be effective, all training and development programs require specific, precise and clear aims and objectives.

2.3. The Training and Development Process

In most literature training and development is viewed as a process with well-defined phases of decision-making and action. The phases or steps vary for different authors but the principles remain the same.

Dessler (2005) says that the training process consists of five steps. He outlines the first step as the needs analysis which identifies the specific job performance skills

needed, assesses the prospective trainees' skills and develops specific, measurable knowledge and performance objectives based on any deficiencies. The second step is the instructional design, when you decide on, compile and produce the training program content. The third step is validation where the training program is presented to a small representative audience for refinement and verification of adequacy. The fourth step is to implement the program by actually training the targeted employee group. The fifth and final step is an evaluation step in which management assesses the program's successes or failures.

Hall and Goodale (1986) on the other hand identify three major phases for the training process as preparation for training, implementation of training and evaluation of training. The first phase of the process is preparation where employees, jobs and the organization are carefully analyzed to establish the need for training and then a training program is designed to meet that need. The next phase is implementation where methods are selected and training is conducted. The final phase is evaluation, where measures of training effectiveness are chosen and then training is carefully monitored to ensure it is proceeding as planned. Finally, changes in employee knowledge, skill and performance are measured to determine the effectiveness of the training.

2.3.1. Preparation for Training

As mentioned above, the preparation phase of training involves the two steps of training needs analysis and training design. According to Hall and Goodale (1986) the process begins with careful analysis of employees, jobs and the organization in order to establish the need for training and then a training program is designed to meet that need.

Marchington and Wilkinson (2002) point out that a training need exists when there is a gap between the future requirements of the job and the current capabilities of the incumbent, whether this is measured in terms of skills, attitudes or knowledge and it is anticipated that systematic training will overcome the deficiency or barrier. They note that in some circumstances training may not be the most effective option and the choice of a specific program might be totally inappropriate.

Identification of training needs is a prerequisite of training action. Pettinger (2002) asserts that all training and development programs and events should be based on needs and wants, analyses and appraisal and the ability to respond to demands and to fill gaps identified with these activities. This is the context in which organizational, professional, occupational, group and individual training programs are put together effectively. Armstrong (2003) opines that learning needs should be analyzed, first for the organization as a whole; second for departments, teams, functions or occupations within the organization and third for individual employees.

One way of finding out what is needed by an organization is to carry out some form of development needs analysis based on the existing workforce. Holbeche (2001) suggests that the analysis can be done using appraisal information, sampling of specific groups or benchmarking with "world-class" organizations to identify obvious gaps. The analysis should provide answers to the questions what is needed and why, where it is needed and by whom, how will this best be provided, how much it will cost and what the expected return would look like.

Armstrong (2003) says that learning and training activities need to be based on an understanding of what needs to be done and why it needs to be done. He stresses that the purpose of the activities must be defined, and this is only possible if the

learning needs of the organization and the groups and individuals within it have been identified and analyzed.

Every training program should be designed to suit training needs identified. The design will continually evolve as new learning needs emerge, or when feedback indicates that changes are required. Armstrong (2003) points out that training programs may consist of a short formal training course, a series of training modules or a fairly lengthy continuous period of craft training as in a modern apprenticeship. This therefore means that planning the overall training program means prioritizing training activities in the light of analyses of learning needs. It also belies the importance of deciding on the resources required bearing in mind the funds available in the training budget.

2.3.2. Implementation of Training

The implementation phase of training includes selecting training methods and conducting the training. Hall and Goodale (1986) contend that there are many ways to conduct training programs and there are numerous training techniques that can be combined in a variety of ways. In the implementation stage, the three major components of the training situation are the trainer, the training content and the trainees.

Marchington and Wilkinson (2002) also concur that there are a multitude of methods that can be used to train and develop staff, both on- and off-the-job, ranging from relatively unstructured informal methods through to the carefully programmed and structured ones such as computer-assisted learning and project management.

It is important to recognize therefore that no one method is inherently superior to any other, but that different methods are suitable for different sets of circumstances. Marchington and Wilkinson (2002) further point out that choosing when to employ the right methods, and why, is a much more critical consideration when implementing learning programs.

Gilliland (1998) points out that the best learning takes place when the individual and the company agree on the benefits likely to be gained by the individual undertaking a learning activity of some sort. Pettinger (2002) suggests that process consultation needs to involve sponsors of particular training events and supervisors so that it is operationally convenient to release staff for training. Facilitators and tutors also need to be consulted to ensure that aims, objectives, content and delivery are suitable and adequate for the trainees in terms of their current capability and time resource constraints. Trainees also need to be consulted so that they understand where the training is likely to take them in terms of their own future prospects as well as the required valuable work.

2.3.3. Evaluation of Training Programs

The final step in the training process is evaluation. Once the need for training has been carefully assessed and training has been designed and implemented, there is only one way to demonstrate the effectiveness of this entire process, by use of evaluation Hall and Goodale (1986). It is widely acknowledged that the evaluation of training is one of the most critical steps in the training process and it deals with the overall benefits of training and ensures validity of training and development programs. Most literature on evaluation of training programs makes reference to Kirkpatrick's four levels of training evaluation.

Armstrong (2003) outlines Kirkpatrick's four levels of training evaluation. First level is reaction where evaluation measures how those who participated in the training have reacted to it. Second level evaluates the learning to establish the extent to which it has changed as required when people attending the program have returned to their jobs. The third level evaluates the extent to which behavior has changed as required when people attending the program have returned to their jobs to measure the extent to which knowledge, skills and attitudes have been transferred from the classroom to the workplace. The fourth and final step is evaluating results, which provides the basis for assessing the benefits of the training against its costs.

Evaluation of training and development programs is necessary as it helps improve their quality and effectiveness and provides trainers and the trainees with much needed feedback. This is important as there is need for the training and development function in an organization to establish credibility through delivering operational excellence, managing change and in developing a strategic training and development agenda. Holbeche (2001) clearly states that one measure of success for training and development programs is whether line managers are working in tandem with the training and development department and turning to them for support and input when crafting business strategy.

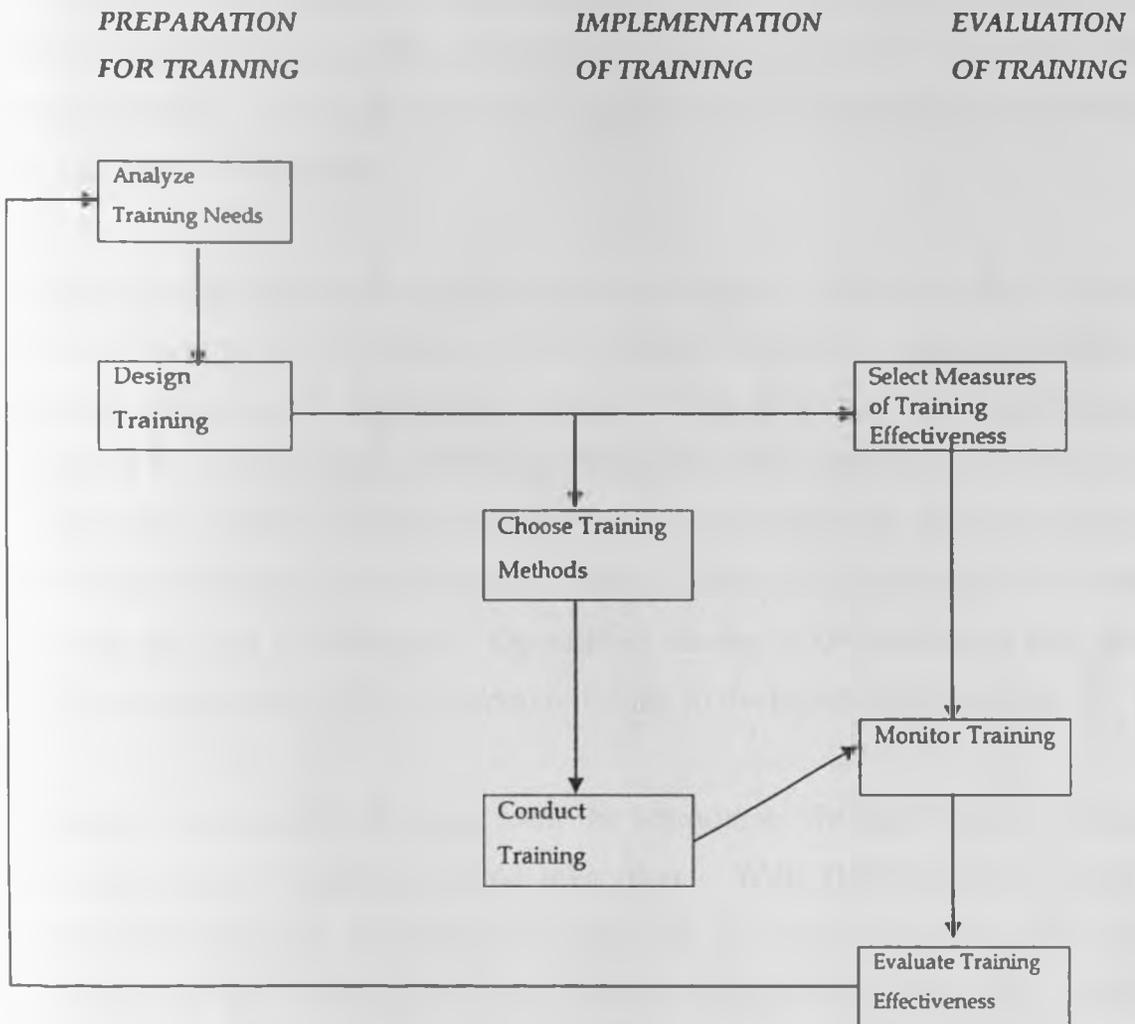
Evaluation is viewed as an integral feature of the training process as it assists to compare the objectives and outcomes and tries to establish how far training and development programs have achieved their purpose. Shapiro (1995) suggests that training is effective to the degree that it enables each performer to produce results on the job using the knowledge and skills taught. He notes that when this occurs, the organization gets a return on investment.

Effective Human Resource Development practice is based on purposeful and meaningful measurement. Brinkerhoff and Gill (1994) assert that the process of producing a product or delivering a service is improved when people are able to measure and compare their performance to some standard for that process. They note that measurement data are initially needed to identify employee performance deficits, organizational deficiencies, and improvement needs. Measurement data are also needed to identify critical activities before and after a learning and performance improvement intervention to establish performance objectives and to improve change initiatives. Evidence of learning that improves employee performance and furthers organizational goals is necessary to evaluate training and act to justify continued investment in training activity.

Baron and Kreps (1999) suggest that firms train workers and pay for the training if doing so enhances the firm's profits. They point out that the firm in deciding whether to invest in the human capital of an employee, computes three expected net present values: The cost (C), of the training; the gross benefits (B), that will accrue to the employer if the employees gets this training and the increase in salary (S), that must be paid to the employee by this employer because of this training. The training will enhance the firm's profits as long as Benefits, less Salary exceeds Cost i.e. $(B - S > C)$.

As seen above, any successful training process should include careful analysis to establish the need for training and a program designed to meet that need. Training methods should then be selected and training conducted. Training should be carefully monitored and finally, changes in employee knowledge, skill and performance should be measured to determine the effectiveness of the training program and the information gained can be used to analyze future training needs and the training process begins again. This process is shown in the figure below:

Figure 2.3.1: The Training Process



Source: Adapted from Douglas T. Hall and James Goodale, Human Resources Management: Strategy, Design and Implementation (Scott, Foreman and Company, 1986), P. 335

2.4. Business Strategy

Johnson and Scholes (2002) define strategy as the direction and scope of an organization over the long term, which achieves competitive advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations.

The firm's strategy is a bridge connecting where the company is today and where it wants to be tomorrow and the question is how the company gets there. Dessler (2005) describes strategy as a course of action which shows how the enterprise will move from the business it is in now to the business it wants to be in as stated in its vision, mission, and goals, given its opportunities and threats and its internal strengths and weaknesses.

Within the above perspectives, strategy can be seen to operate at three distinct levels. Marchington and Wilkinson (2002) identify the levels as corporate strategy, business strategy and operational strategy. They state that corporate strategy relates to the overall scope of the organization, its structures and the distribution of resources between its different constituent parts. Business strategy refers to how the organization is to compete in a given market, its approaches to product development and to customers. Operational strategies are concerned with how the various sub-units within the firm contribute to the higher-level strategies.

Corporate policies and strategies form the boundaries within which all training and development activities should take place. Wills (1998) says that policy deployment which is a structured method of cascading corporate goals and strategies through the company, is a powerful method of ensuring that training and development are carried out within the context of the company's business goals.

2.5. Aligning Training and Development Programs to Business Strategies

In exemplary organizations, training and development is strongly aligned to the strategic leadership and planning process of the business. Holbeche (2001) argues that typical "best practice" benchmark organizations create a systematic link between business strategy and the training and development targets are reviewed

at least annually to ensure that they are still on track with changing business requirements. He further argues that the impact of technology on people's jobs is becoming ever more apparent leading to a growing importance attached to "soft" skills as well as the hard.

Gilliland (1998) puts it aptly by saying that it is not sufficient for people to be trained for the job they are paid to do. He sees that as basic and argues that what is needed is for people to understand the business case behind their training because in that way, they can put the training in context and see why their contribution is essential to the success of the company and the stability of their jobs within it.

Pettinger (2002) argues that it is universally accepted in principle that well trained, capable, informed and motivated employees give much better service to customers and clients. He further argues that trained employees are much more likely to remain with the organization for longer and to work to sustain higher performance levels over the long-term. If this is the case, then committing to and using core training programs in organizations is therefore a key step towards sustainable profitability and effectiveness.

Pinnington and Edwards (2000) state that employee development as part of the organization's overall human resource strategy means the skilful provision and organization of learning experiences in the workplace in order that performance can be improved, that work goals can be achieved and that, through enhancing the skills, knowledge, learning ability and enthusiasm of people at every level, there can be continuous organizational as well as individual growth. This assertion implies that employee development must, therefore, be part of a wider strategy for the business aligned with the organization's corporate mission and goals.

The workplace is being radically reshaped in a number of ways and people are now expected to have a wide range of skills in areas such as customer relations, business awareness and leadership. Holbeche (2001) points out that since the 1990's economies are characterized by smaller leaner organizations with responsive structures and delayed management. He further notes that cost pressures due to increased competition, largely as a result of globalization, are driving the need for greater speed, innovation and quality at the workplace.

Because of the changes that have taken place in the global economy, there is need to ensure that training and other forms of development are tailored to the business requirements. These should ensure that training and development opportunities are targeted to meet specific objectives for the relevant individuals. Gilliland (1998) points out that companies that take the development of their people seriously experience real business benefits. He further asserts that before a company begins to think seriously about developing its people, they must give some thought to where their business is going and how they intend to get there. Hall and Goodale (1986) point out that many organizations invest considerable resources to training and development programs but never really examine how training and development can effectively promote organizational objectives or how development activities should be altered in the light of business plans.

Wills (1998) points out that training interacts with the business as a system whose boundaries interact with the rest of the business. Business training needs are identified, training is provided to meet the needs, the output is compared to the requirements and any necessary changes are made to the system to obtain the desired output.

Gilley and Maycunich (2000) point out that, in creating a development strategy, it is important to start with where the business is going and what that suggests in

terms of skills, which will be needed. Often, training teams are criticized for developing training and development strategies that do not match business priorities.

Gilliland (1998) emphasizes that a business plan should set out company policy on training and development and how the training and development needs will be assessed to be in line with business goals and targets. If this is successfully done, the commitment of resources for training and development needs should be assessed to be in line with business goals and targets. The commitment of resources for training and development should be laid out at this level.

Gilley and Maycunich (2000) stress that a flatter, less bureaucratic, more responsive organization is emerging as a model for the future. This implies that organizations will be forced to enhance key capabilities and make these the source of their competitive advantage. To acquire these capabilities, organizations are struggling to realign themselves and their human resource policies and practices with new competitive realities. It is therefore clear that training and development interventions can help an organization achieve strategic business goals. Training and development programs are meant to provide individual development, performance management and organizational development activities, which together improve the efficiency of the firm, which is measured by increased organizational effectiveness.

Eichinger and Ulrich (1995) maintain that among the priorities of training and development, practitioners should help the organization reinvent itself to compete more effectively, reinvent the training and development function to be aligned with a more customer-focused organization and attract and develop the next generation leaders and executives within the organization.

Ehrlich (1997) identifies some principles of creating value through Human Resource Development programs. One of the principles is that the Human Resource Development strategy must be anchored to business strategy, not programs. He insists that programs must take into account the strategy and economic realities of the business it supports and must be regarded as an essential contributor to the business mission. Training and development professionals must speak the language of the business, and their activities must reflect business priorities. From this principle, it can be concluded that Human Resource Development is not about programs and therefore its primary role is to create an environment in which individuals are committed to the success of the enterprise that employs them.

Lawler (1996) contends that human resource development must become a true business partner that helps develop new approaches to selection, training, career development, rewards and performance improvement systems that organizations can create strategically critical competencies and capabilities.

According to Gilley and Maycunich (2000), the training and development function must undergo a metamorphosis in order to execute the business partnership role of the future. He asserts that individuals who understand the business as well as change strategy must staff the training and development function. To be effective, the training and development must be a valued component of management by contributing to business strategy and operational decision-making.

Human Resource Development will be challenged to reinvent its structure and processes so that it can deliver the kinds of systems and business partnerships that will make its organization more effective. Gilley and Maycunich (2000) further suggest that strategic human resources and development leaders must look beyond short-range interventions and initiatives and focus instead on influencing the long-term organizational performance and business results. It therefore

follows that to achieve this, executives, managers and employees must be shown how, where and why new learning, performance and change will be used on the job to impact critical aspects of the business and therefore, effective programs must be linked to important organizational goals.

Tarraco and Swanson (1995) agree that the relationship of intended learning, performance and change outcomes to strategic business goals and objectives is critical to the success of human resource development. It follows that when training and development goals are compatible with and responsive to strategic goals and objectives, the value of training and development increases and conversely, when the training and development goals are not aligned with strategic goals and objectives, the value of training and development diminishes.

From the literature, it is clear that some training and development programs falter because they are not based on the needs of the organization or because they are not results oriented. It is also clear that most training and development programs fail because clients' business and performance needs are not satisfied, thus training is not perceived as important. When clients believe that training and development is unable to help improve their performance, quality, efficiency or productivity, they are bound to view it as nonessential in accomplishing the strategic goals and objectives of the organization. This can therefore lead to training and development professionals being seen as lacking in credibility within the organization and their programs would then be destined to fail.

Anderson (1997) suggests that to establish credibility, training and development must demonstrate understanding of business strategies, goals, tactics and financial performance and connect that knowledge to the skills, competencies, practices and people that are available to execute the business strategy. He further points out that training and development professionals must establish performance goals

that relate directly to business strategies, provide credible follow-up to management on program effectiveness in supporting the business strategy and know the value of the training and development skills, competencies, practices and business knowledge available to execute business strategies.

Armstrong (2003) suggests that the business case for learning and training should demonstrate how training and development programs would meet business needs and the areas of business strategy that depend on the availability of talented people should be analyzed. He points out that it is important to note that the organization's strategic aims concerning, issues like, the development of a high performance culture, productivity improvements or achieving better levels of service delivery to customers that will impact on knowledge and skill requirements. It is therefore important that any proposed training interventions should specify how they would contribute to the achievement of these business strategic goals.

In conclusion, Hall and Goodale (1986) agree with the view that many organizations invest considerable resources to train and develop, but never really examine how training and development can effectively promote organizational objectives or how development activities should be altered in light of business strategies.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1: Research Design

The study design was a survey intended to provide insight into the extent which large manufacturing industries in Nairobi align their Training and Development programs to their Business Strategies. The survey method was used to carry out the research.

3.2: Population

The population of the study comprised of all the large manufacturing firms located in Nairobi. For the purposes of the study, the population of the employees was used to determine the size of organizations to be studied. A large manufacturing firm is defined as one with at least 50 employees (Kenya Industrial Research and Development Institute, KIRDI, (1997).

A directory of manufacturing firms compiled by KIRDI (1997) has a list of 282 large manufacturing firms classified as follows:

Table 3.2.1: size of firms

Size Class Code	Number of Employees
A	5 - 19
B	20 - 49
C	50 - 99
D	100 - 199
E	200 - 499
F	Over 500

Source; Kenya Directory of Manufacturing Industries, KIRDI, 1997

The study restricted itself to categories C, D, E and F, which have been classified as large.

3.3: The Sample and Sampling Design

The sample for the study was drawn from organizations that had a population of more than fifty employees. Organizations consisting of a population of 50 employees and above are more likely to have formal Training and Development Programs. The respondents were managers in charge of Training and Development or Strategy in the organizations. Due to financial and time constraints, the samples were drawn from organizations based in Nairobi.

The stratified sampling technique was used and from each stratum, samples were drawn proportionately from each category. KIRDI (1997) identifies the following number of large firms in each category;

Table 3.3.1: Number of large firms in each category

Size Class Code	Number of large firms
C	136
D	72
E	54
F	20
Total	282

From each category, the following numbers of samples were picked:

Table 3.3.2: Sample of firms from each category

Size Class Code	Number of large firms
C	25
D	11
E	9
F	5
Total	50

3.4: Data Collection

Primary data was collected using a structured questionnaire. The questionnaire had both open-ended and closed questions. The administration of the questionnaires was done by the "drop and pick" method to allow respondents ample time to complete the questionnaires.

The questionnaire consisted of two sections, A and B. Section A seek general information on the firms and the respondents, while Section B focused on training and development practices in the companies and on whether the training programs are aligned to business strategies.

3.5: Data Analysis

Before analyzing the responses, the completed questionnaires were edited for completeness and consistency. The data was then coded and checked for errors and omissions. Descriptive statistics was used to analyze data collected. The descriptive statistics used included frequency distributions illustrated through bar graphs, measures of central tendency, that is mean and measure of variation (standard deviation).

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND CONCLUSIONS

4.1: Introduction

The research objective was to establish the extent to which large manufacturing firms in Nairobi align their training and development programs to their business strategies. This section presents the analysis and findings from the primary data that were gathered from the respondents. The data were collected from a population of 50 large manufacturing firms located in Nairobi, Kenya. The findings are presented in percentages and frequency distributions, mean and standard deviations. These descriptive statistics were deemed adequate since the number of respondents is small.

4.2: Characteristics of the respondent firms

A total of 50 questionnaires were issued out. The 50 firms represent 18% of the population of large manufacturing firms in Kenya (KIRDI, 1997). The completed questionnaires were edited for completeness and consistency. Of the 50 firms, only 30 completed and returned the questionnaires as presented in table 4.2.1. This represented a response rate of 60%.

Table 4.2.1: Response rate

	Number	Percentage
Questionnaires returned	30	60
Questionnaires not returned	20	40
Total	50	100

Fig 4.2.1: Response rate

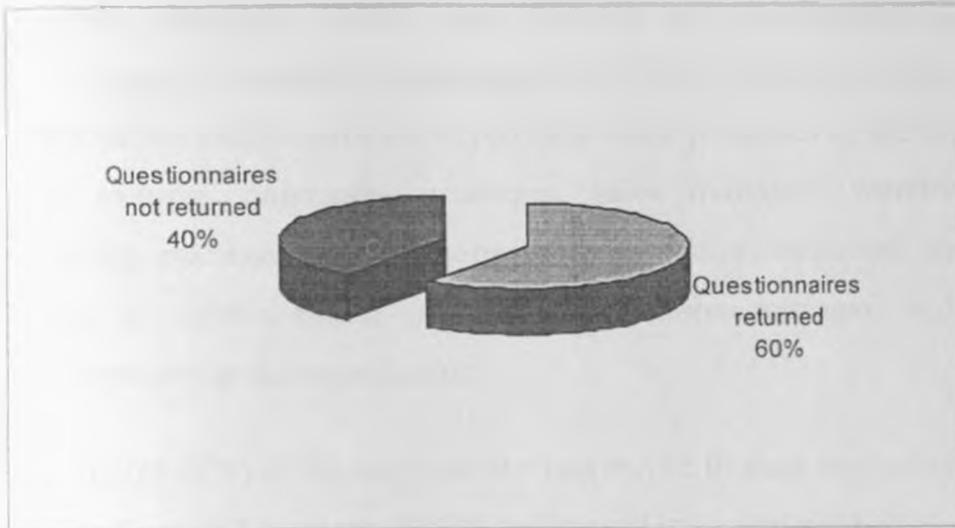
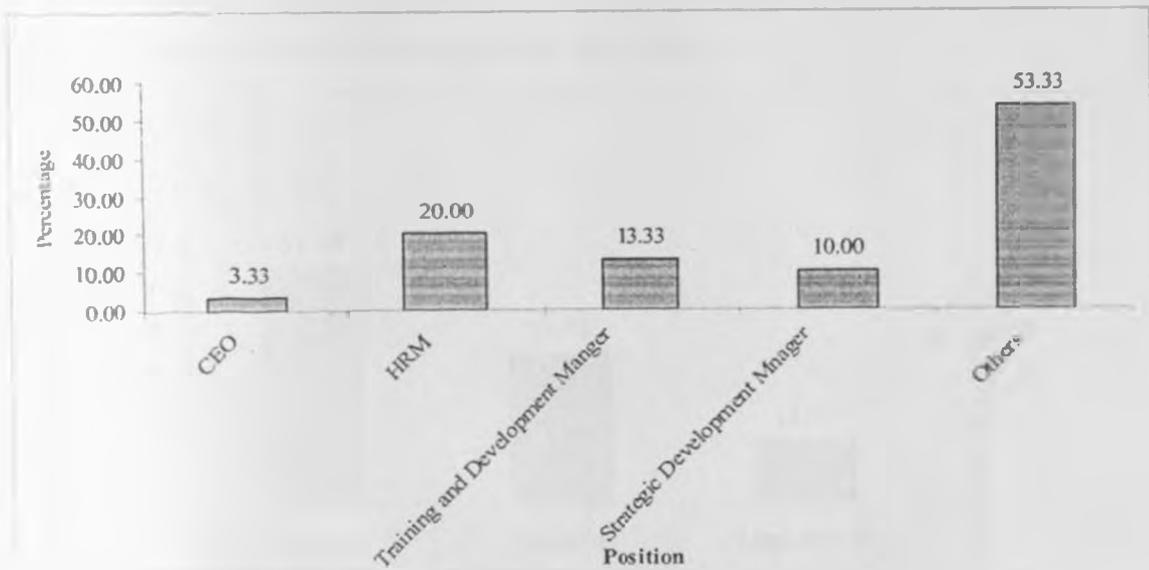


Table 4.2.2: Respondent's position in the organization

Position in the organization	Frequency	Percentage
CEO	1	3.33
HRM	6	20.00
Training and Development Manger	4	13.33
Strategic Development Manager	3	10.00
Others	16	53.33

Fig 4.2.2: Respondent's position in the organization



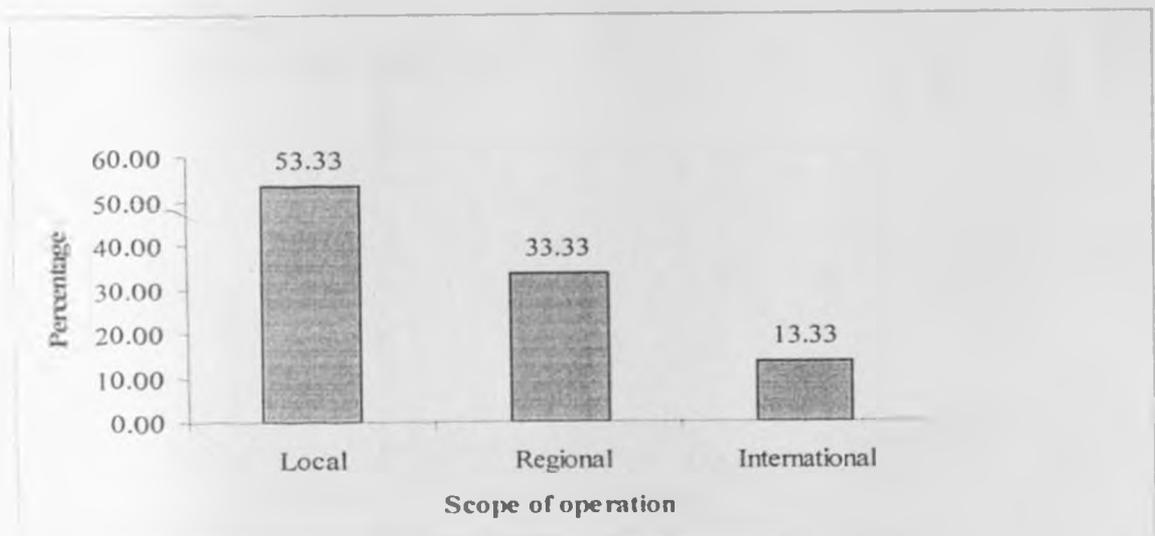
As shown in table 4.2.2 and figure 4.2.2, 20% of the respondents were Human Resources Managers, 13.33% were Training and Development Managers, 10% were Strategic Development Managers and 3.33% were Chief Executive Officer. 53.33% of the respondents surveyed held other positions in the organization and these include, purchasing manager, sales manager, warehouse manager, marketing manager, service manager, store officer, customer service manager, finance & administration manager, operations manager and management representative in the organization.

Majority (66.67%) of the respondents' had stayed in their respective positions for a period of one to five years, 23.33% had stayed for a period of six to nine years, and 6.67% had stayed for less than one year while 3.33% had stayed for over ten years. Overall, majority (93.33%) had over one year experience and therefore the information given can be relied on with a high level of confidence.

Table 4.2.3: Geographical scope of the companies' operations

	Frequency	Percentage
Local	16	53.33
Regional	10	33.33
International	4	13.33

Fig 4.2.3: Geographical scope of the companies' operations



It is evident from table 4.2.3 and figure 4.2.3 that most of the companies (53.33%) operate locally, that is, within Kenya, 33.33% operate regionally while only 13.33% had their operations spread internationally. According to the category of nature of work, 29.03% were in the paper or wood industry, 16.13% were in Rubber and plastic manufacturing industry, Food manufacturing industry and Chemical and petroleum manufacturing industry each, 9.68% were in both Metal manufacturing industry and Others (sale and service of vehicles, cosmetics, education, bed & mattress industry), and 3.23% were in clothing and textile manufacturing industry. The high percentage falling in the category of paper or wood industry could be attributed to the ease of availability of raw materials in the country and their high demand in Nairobi.

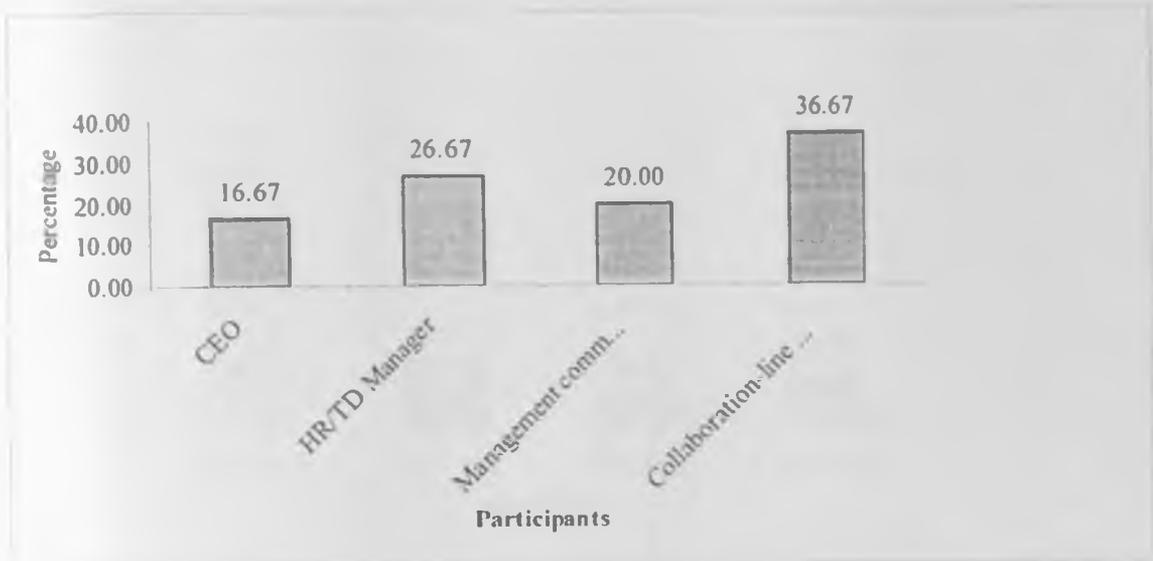
4.3: Training and development practices in the companies

This section covers findings from the specific questions posed to the respondents on training and development practices in the companies and whether the training programs are aligned to business strategies.

Table 4.3.1: Participation in decisions on training and development programs

	Percentage
CEO	16.67
HR/TD Manager	26.67
Management committee	20.00
Collaboration-line dept and training dept	36.67

Fig 4.3.1: Participation in decisions on training and development programs

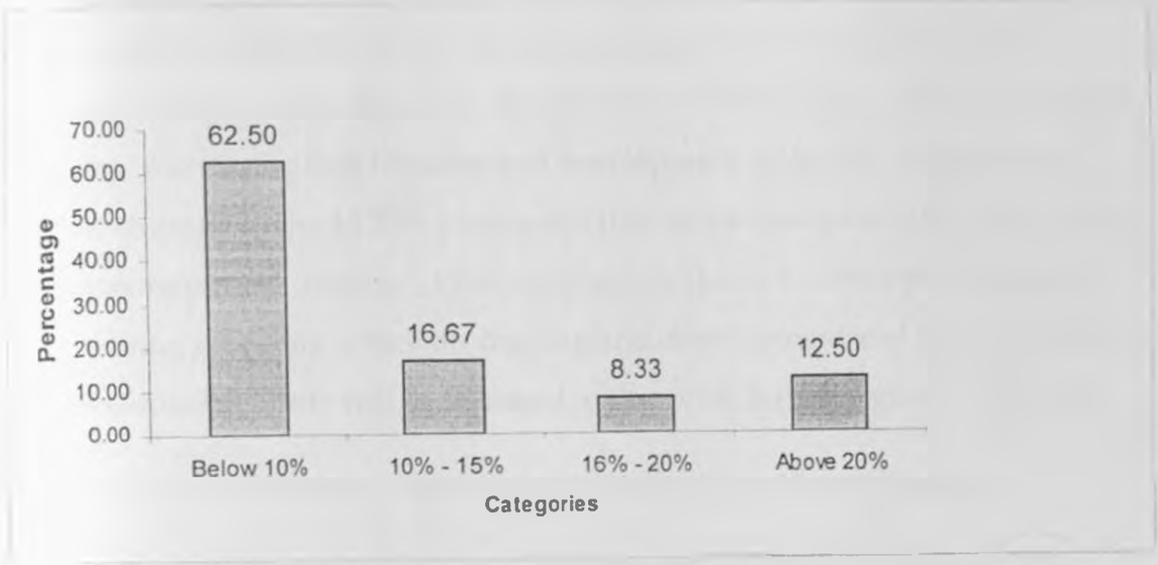


From the research results in table 4.3.1 and figure 4.3.1, it is noted that the participants in decisions pertaining to the training and development programs attended by employees involves the chief executive officer (16.67%), human resources or training and development manager (26.67%), management committee (20%) and collaboration between line department and training department (36.67%). From the results, it can be seen that majority of the companies (36.67%) use collaboration between line department and training department in deciding the participants. This is in line with Pettinger (2002) who asserts that the training process consultation needs to involve sponsors of particular training events and supervisors so that it is operationally convenient to release staff for training.

Table 4.3.2: Percentage of budget earmarked to support training and development programs

	Percentage
Below 10%	62.50
10% - 15%	16.67
16% - 20%	8.33
Above 20%	12.50

Fig 4.3.2: Percentage of budget earmarked to support training and development programs

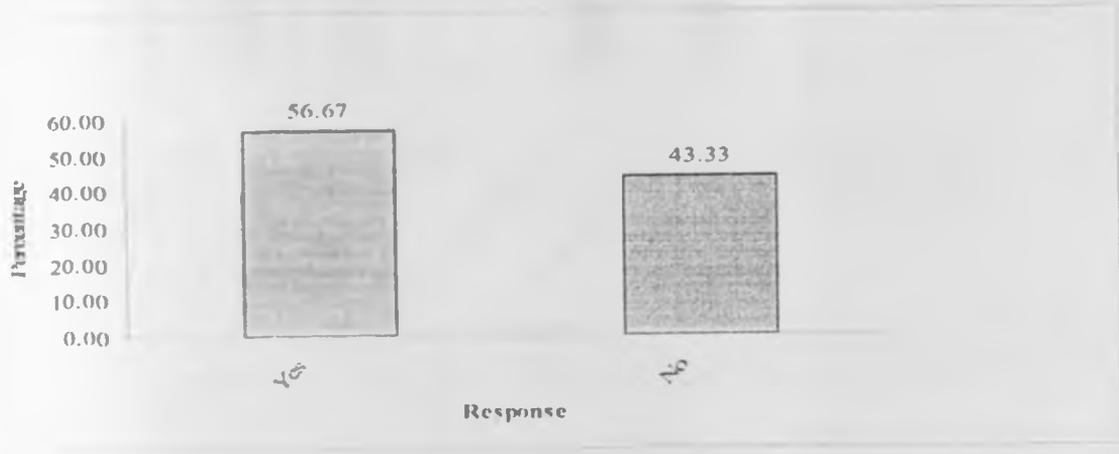


As shown by research results in table 4.3.2 and figure 4.3.2, Training and development programs are supported by percentage budget allocation by most companies (80%). Of interest is the percentage allocated to training as 87.5% are below 20% of the total budget and further more 62.5% are below 10% of the total budget.

Table 4.3.3: Existence of written training and development policy

Existence of written training and development policy	
Yes	56.67
No	43.33

Fig 4.3.3: Existence of written training and development policy



As evidenced from the research response on table 4.3.3 and figure 4.3.3, majority of the companies (56.67%) have a written training and development policy in place and 43.33% of the companies do not have a written policy. This indicates a likely gap in ensuring that training and development programs are aligned to business strategy in the 43.33% companies that do not have a written training and development policy. Gilland (1998) emphasizes that a business plan should set out in writing company policy on training and development and how the training and development needs will be assessed in line with business goals and targets.

Table 4.3.4: Factors considered when choosing training and development programs

	Frequency	Percentage
Availability of funds for program	15	50.00
Training programs that receives refunds from DIT	11	36.67
Training programs that are considered fun	1	3.33
Training programs that align Business Strategy	22	73.33
Reputation of the training program provider	10	33.33
Others	3	10.00
TOTAL	30	

Fig 4.3.4: Factors considered when choosing training and development programs

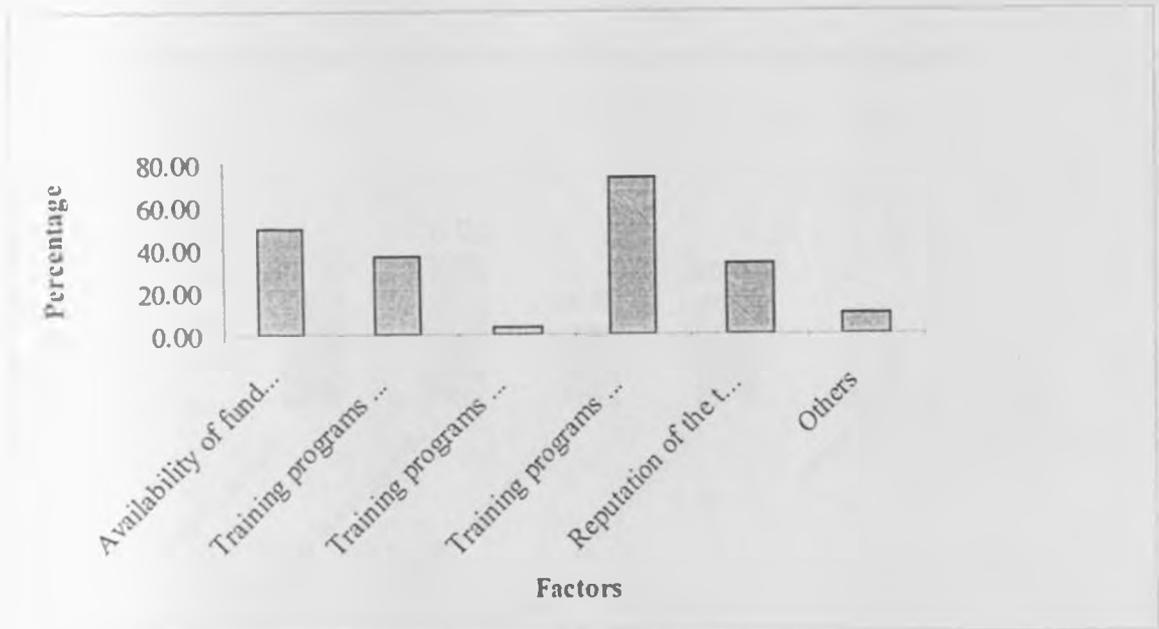
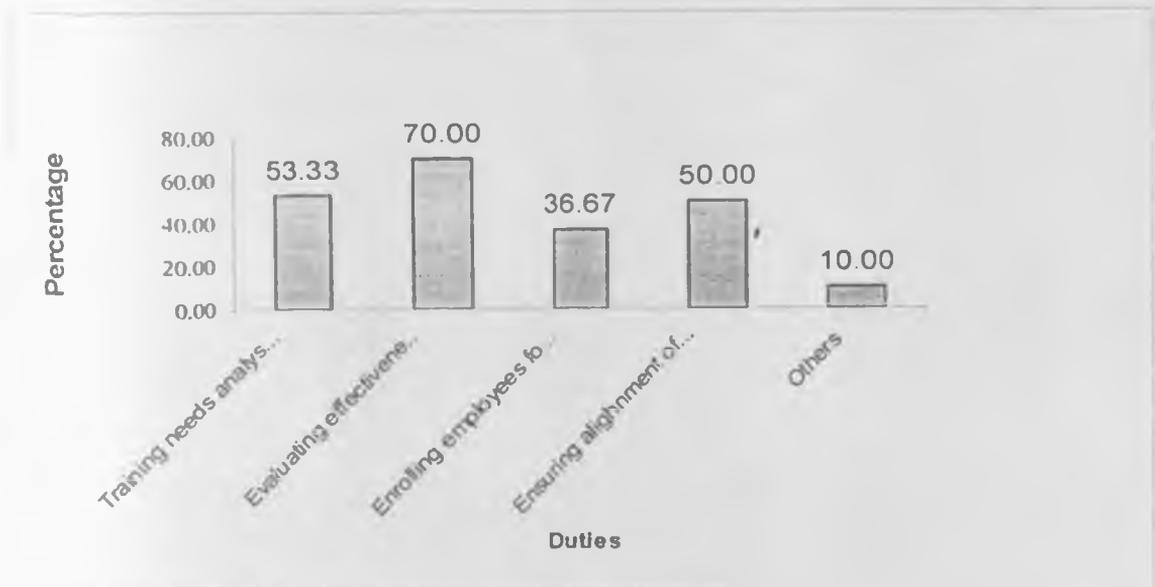


Table 4.3.4 and figure 4.3.4 show that factors considered in choosing training programs cut across the board, as indicated by the various factors considered by companies when choosing training and development programs. The major factors across all the companies in order of preference were training programs that are aligned to business strategy (73.33%), availability of funds for the program (50%), reputation of the training program provider (33.33%) and training programs that receive refunds from DIT (11%) respectively. The above results indicate that companies take aligning training and development programs to business strategy seriously and give it high priority.

Table 4.3.5: Duties of the person charged with training and development programs

	Frequency	Percentage
Training needs analysis, designing programs and conducting training	16	53.33
Evaluating effectiveness of training programs	21	70.00
Enrolling employees for programs offered by training firms	11	36.67
Ensuring alignments of training programs with business strategy	15	50.00
Others	3	10.00
Total	30	

Fig 4.3.5: Duties of the person charged with training and development programs

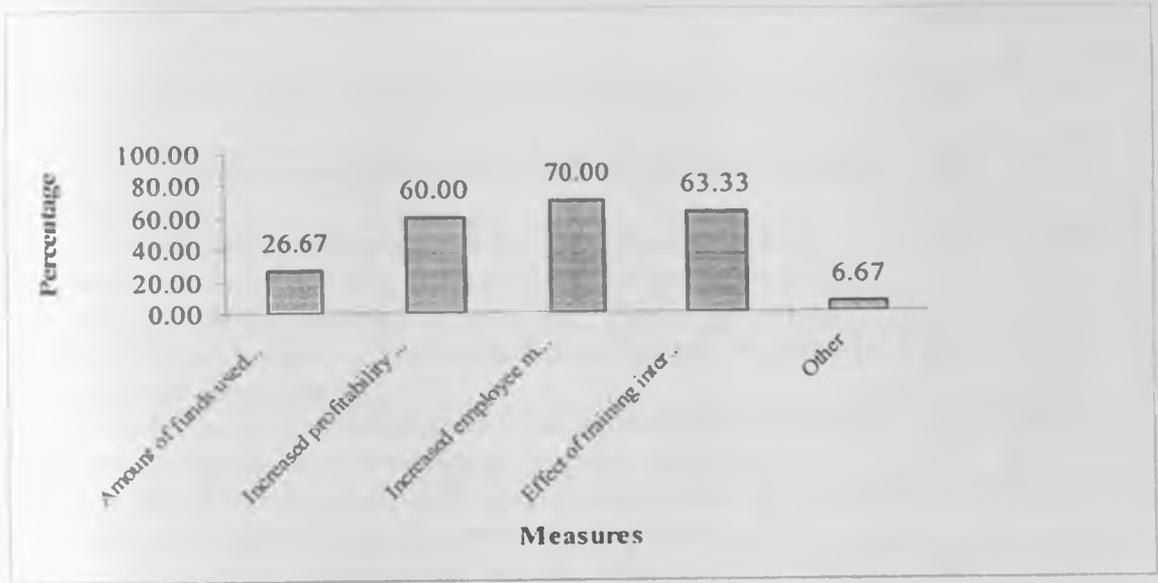


From the findings as shown in table 4.3.5 and figure 4.3.5 it can be noted that the major duties of the person charged with training and development programs in the companies is evaluating effectiveness of training programs as first priority (70%), training needs analysis, designing programs and conducting training as second priority (53.33%), while ensuring alignment of training programs with business strategy is third priority (50.00%). This is in line with Hall and Goodale (1986) who emphasize that the three major phases for the training process are preparation for training, implementation of training and evaluation of training. As evidenced from the results above majority of companies give emphasize to evaluating effectiveness of training programs that is related to ensuring that programs are aligned to business strategy.

Table 4.3.6: Criteria used to measure the effectiveness of training and development programs

	Frequency	Percentage
Amount of funds used to run the training program	8	26.67
Increased profitability after a training program	18	60.00
Increased employee motivation	21	70.00
Effect of training interventions on achievement of business strategy	19	63.33
Other	2	6.67
Total	30	

Fig 4.3.6: Criteria used to measure the effectiveness of training and development programs



Among the methods used to measure the effectiveness of training and development programs as shown in table 4.3.6 and figure 4.3.6 are, increase in employee motivation as the greatest measure (70%), followed by effect of training interventions on achievement of business strategy (63.33%) and increased profitability after a training program followed in third position at 60%. As Terraco and Swanson (1995) point out, when training and development goals are compatible with and responsive to strategic goals and objectives, the value of training and development increases and this increases employee motivation invariably increases employee motivation, business profitability and ultimate achievement of business strategy.

4.4: Extent to which firms engage in good training and development practices

This section covers findings from the specific questions posed to the respondent's to determine the extent to which the following variables apply to their companies Measure of central tendency (mean) and a measure of variation (standard deviation) was used to analyze the data.

Table 4.4.1 Extent of compliance with training and development good practices

	Mean	Standard deviation
Extent to which all employees understand the company's business strategies	3.07	0.98
Extent to which top management is committed to the development of all employees	3.67	0.84
Extent to which the company carries out a systematic training process that includes training needs analysis, designing training programs, delivering training and evaluating training programs	3.20	1.06
Extent to which the training process as outlined in item 16 above is aligned to business strategy	3.67	0.84
Extent to which employees are made to understand the business case behind training and development programs they attend	3.27	1.11
Extent to which training and development programs are reviewed for purposes of aligning them to specific business strategies	3.17	1.11
Extent to which there collaboration between line departments and the training department to ensure that training and development programs offered are aligned to business strategies	3.40	1.30
Extent to which the company ensures that training and development consultants understand the business strategies of the company and incorporate them into the training programs they deliver	3.63	1.25
Extent to which training and development interventions help the company to achieve its business strategies	3.23	1.38
Extent to which re-imbursement of funds from the Directorate of Industrial Training (DIT) acts as a motivator for undertaking training and development programs?	2.17	1.18

The following exposition is based on the data in table 4.4.1. The analysis grouped the variables in to three categories using mean values, that is, mean of four (4) large extents. This category includes; to what extent the top management is committed to the development of all employees, to what extent the training process is aligned to business strategy and to what extent the company ensures that training and development consultants understand the business strategies of the company and incorporate them into the training programs they deliver. This is in line with Holbeche (2001) who argues that typical "best practice" benchmark organizations create a systematic link between business strategy and that training

and development targets are reviewed to ensure that they are still on track with changing business requirements.

Mean of three (3) some extent including, to what extent do all employees understand the company's business strategies, to what extent does the company carry out a systematic training process that includes training needs analysis, designing training programs, delivering training and evaluating training programs, to what extent are employees made to understand the business case behind training and development programs they attend, to what extent is there collaboration between line departments and the training department to ensure that training and development programs offered are aligned to business strategies and to what extent do training and development interventions help the company achieve its business strategies.

Mean of two (2), small extent as to what extent does re-imbursment of funds from the Directorate of Industrial Training (DIT) act as a motivator for undertaking training and development programs.

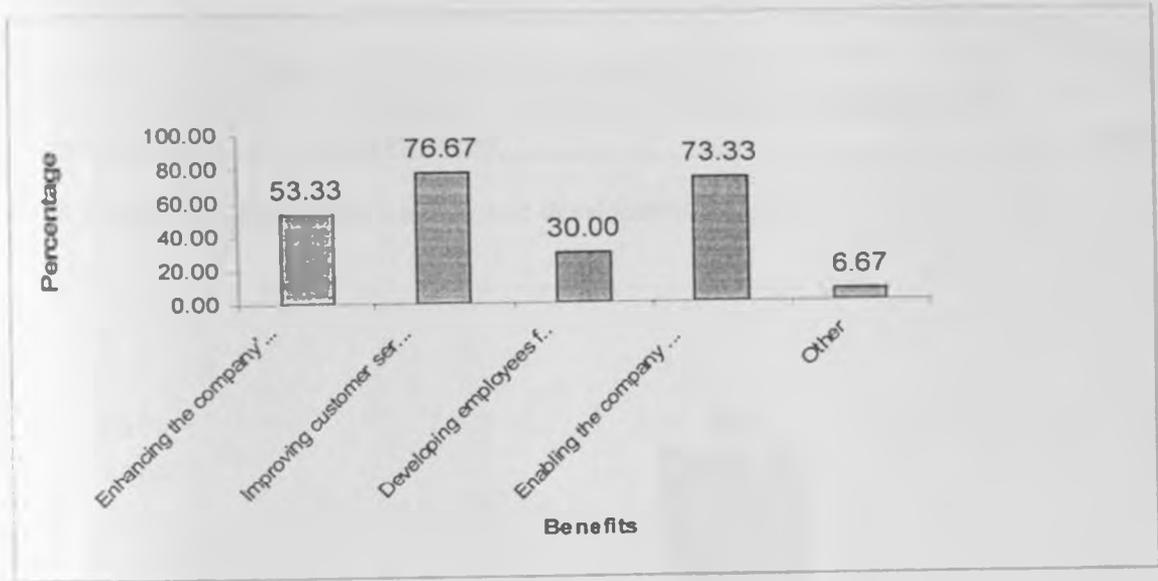
4.5: Benefits derived by firms from offering training and development programs to employees

This section covers findings from the specific question posed to the respondent's to determine the Benefit that firms enjoy as a result of offering training and development to their employees. Frequency and percentages were used to analyse and interpret the findings as shown in table 4.5.1.

Table 4.5.1: Benefits accruing from training and development programs

	Frequency	Percentage
Enhancing the company's image	16	53.33
Improving customer service	23	76.67
Developing employees for promotion	9	30.00
Enabling the company achieve its business strategies	22	73.33
Other	2	6.67

Fig 4.5.1: Benefits accruing from training and development programs



As shown in table 4.5.1 and figure 4.5.1, Training and developments consumes firm's resources both in terms of money and time. Every firm will only involve themselves in training if there are clear benefits derived from the training process. Amongst the listed benefits all the firms ranked improving customer service as the most important benefit at 76.67%, followed by enabling the company achieve its business strategies at 73.33% and enhancing the company's image. The study results are in line with Eichinger and Ulrich (1995) view that the training and development function should be more customer-focused and Gilland (1998) who points out that companies that take the development of their people seriously experience real business benefits.

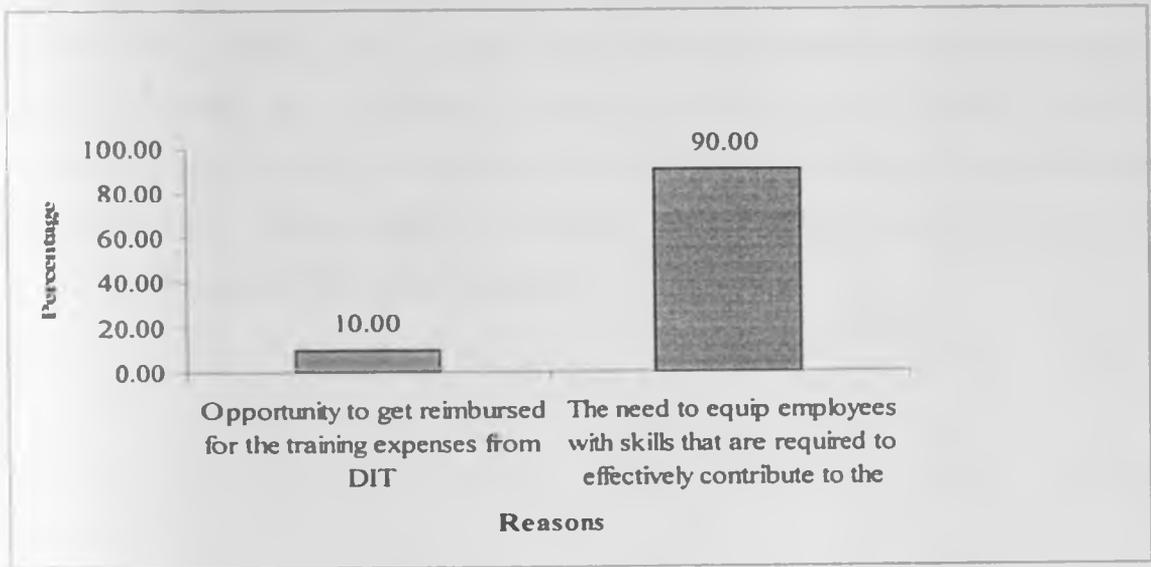
4.6: Most important reason influencing the decision to mount a training and development program

This section covers findings from the specific question posed to the respondents to determine the most important challenge in terms of influencing the decision to mount a training and development program in the company.

Table 4.6.1: Reason for mounting training and development programs

	Percentage
Opportunity to get reimbursed for the training expenses from DIT	10.00
Need to equip employees with skills that are required to effectively contribute to the implementation of business strategies	90.00

Fig 4.6.1: Reason for mounting training and development programs



As shown from the research findings in table 4.6.1 and figure 4.6.1, the most important reason influencing the decision to mount a training and development program in companies is the need to equip employees with skills that are required to effectively contribute to the implementation of business strategies (90%). Only 10% of the respondents say they would consider opportunity to get reimbursed by DIT as an important reason to mount a training program.

The results above are in line with Anderson (1997) who suggests that to establish credibility, training and development one must demonstrate understanding of business strategies, goals, tactics and financial performance and connect that knowledge to the skills, competencies, practices and people that are available to execute the business strategy.

4.7: Challenges

This section covers findings from the specific question posed to the respondents to outline some of the major challenges faced when trying to align training and development programs to business strategies. The challenges outlined by respondents include, staff qualifications, replacement or taking over of duties of staff attending training, lack of knowledge and experience, lack of seriousness of training by employees, variations of quality in training, lack of funds to conduct all training, staff mobility, time constraints from both employer and employees and failure by management to critically make employees understand the usefulness of training and paradigm shift.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1: Summary of Findings

The study indicated that managers who participated in the study are aware of training and development programs in their organizations. Majority of companies (36.67%) of the companies use collaboration between line department and training department when making training participation decisions. This is in line with Pettinger (2002) who asserts that the training process consultation needs to involve sponsors of particular training events and supervisors so that it is operationally convenient to release staff for training.

The research also indicated that most companies studied (80%) support their training and development programs by a specific budgetary allocation. The study also indicated that 43.33% of the companies that responded do not have written training policy.

The study showed that companies consider various factors when choosing training and development programs and the major factor that cuts across all respondent companies is that training programs should align to business strategy (73.33%). This is in line with Armstrong (2003) who suggests that the business case for training should demonstrate how training and development programs would meet business needs.

The research findings indicate that most companies studied rank improving customer service as the greatest benefit accruing from training and development programs (76.67%). Improved customer service inherently means increased

customer satisfaction and hence enhanced business profits. This is in line with Baron and Kreps (1999) suggestion that firms train workers and pay for the training if doing so enhances the firm's profits.

The research findings also indicate that most companies face challenges as they try to align training and development programs to business strategies and these include replacement of staff when attending training, lack of funds to conduct training programs and mobility of staff to rival firms after training and development programs.

5.2: Conclusions

The study established that companies align their training and development programs to their business strategies to a large extent. This is supported by the assertion by Ehrlich (1997) that one of the principles is that a human resource development strategy must be anchored in business strategy, not programs and that training and development professionals must speak the language of the business it supports and must be regarded as an essential contributor to the business mission.

From the study, it can also be concluded that most organizations have a systematic training and development process with results indicating that the person in charge of training in companies evaluates effectiveness of training programs, carrying out training needs analysis, designing and conducting training programs and ensuring alignment of training programs with business strategy. This is in line with Hall and Goodale (1986) who emphasize that the three major phases for the training process are preparation for training, implementation of training and evaluation of training.

It can also be concluded that in line with Eichinger and Ulrich (1995), the training and development function should be more customer-focused and that companies that take the development of their people seriously experience real business benefits.

5.3: Recommendations

The following recommendations are given to both the policy makers and researchers;

5.3.1. Recommendations to Policy Makers in Manufacturing Organizations

In view of the study findings, it is recommended that organizations should design and implement written down training and development policies to guide their organizations on the programs that will benefit them. The organizations should also ensure that there is a clear link between training and development programs and business strategies.

To enhance the usefulness of training and development programs, it is recommended that organizations put in place training and development policies to ensure that the programs are aligned to business strategy.

5.3.2. Recommendations for Further Research

The study confined itself to organizations in Nairobi. This research therefore should be replicated in other samples of organizations drawn nationally and from various industries.

5.4. Limitations of the Study

This study was limited to large manufacturing firms in Nairobi only due to unavailability of time and resources and therefore views from manufacturing firms outside Nairobi were not taken.

The researcher also encountered problems with respondents unwillingness to complete the questionnaires promptly thus delaying data analysis.

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APPENDIX 1

INTRODUCTORY LETTER TO RESPONDENTS

Salome K. Onyonka
University of Nairobi
School of Business
P.O. Box 30197
NAIROBI

Dear Sir/Madam,

REQUEST FOR RESEARCH DATA

I am a postgraduate student at the School of Business of the University of Nairobi. I am carrying out a survey on the "Extent to which firms align their training and development programs to their business strategies: A survey of Large Manufacturing Companies in Nairobi" as a partial fulfillment of the Master of Business Administration (MBA) Degree.

You have been carefully selected as one of the respondents to form part of this survey. Please assist me in this venture by completing the questionnaire as accurately as possible. The information gathered will be used for academic purposes only. As a respondent of this study, you are free to access the findings of the study. The questionnaire will be anonymous and treated with utmost confidentiality.

Yours faithfully

SALOME K. ONYONKA
MBA STUDENT

PROF. P. K'OBONYO
RESEARCH SUPERVISOR

APPENDIX 2

QUESTIONNAIRE TO BE COMPLETED BY MANAGERS IN CHARGE OF TRAINING AND DEVELOPMENT

Please answer the following questions in Section A and Section B by placing a tick [✓] in the appropriate box or by giving an appropriate response in the spaces provided.

SECTION A

1. Please indicate your position in the organization by ticking [✓] one of the following choices.

- a. Chief Executive Officer (CEO) []
- b. Human Resources Manager []
- c. Training and Development Manager []
- d. Strategic Development Manager []
- e. Other (Please specify) _____

2. How many years have you been in that position?

- a. Less than a year []
- b. 1 - 5 years []
- c. 6 - 9 years []
- d. Over 10 years []

3. How many years has your organization been in the manufacturing business?

- a. Less than a year []
- b. 1 - 5 years []
- c. 6 - 9 years []
- d. Over 10 years []

4. How many employees does your organization have?

- a. Less than 50 []
- b. 50 to 100 []
- c. More than 100 []

APPENDIX 2

5. What is the Geographical scope of your company's operations?
- a. Local (Situating within Kenya) []
 - b. Regional (in two or more countries in Africa) []
 - c. International (With some offices in Africa and outside Africa) []
6. In which of the following categories does your organization fall?
- a. Metal Manufacturing industry []
 - b. Rubber and plastic manufacturing industry []
 - c. Clothing and textile manufacturing industry []
 - d. Food manufacturing industry []
 - e. Paper or wood industry []
 - f. Chemical and petroleum manufacturing industry []

SECTION B

7. Who in the company participates in decisions pertaining to the major aspects of training and development programs attended by employees?
- a. The Chief Executive Officer []
 - b. The Human Resources or Training and Development Manager []
 - c. A Management Committee []
 - d. Collaboration between line department and training department []
8. Does your organization support training and development programs using a percentage of the budget allocation?
- a. Yes []
 - b. No []

APPENDIX 2

9. If the answer to the above question is yes, what percentage from the budget is earmarked to support training and development programs? Please tick [√] one.
- a) Below 10% []
 - b) 10% - 15% []
 - c) 16% - 20% []
 - d) Above 20% []
10. Does the company have a written training and development policy?
- a. Yes []
 - b. No []
11. Please indicate the factors that your company considers when choosing training and development programs? Please tick [√] all the factors that apply
- a. Availability of funds for the program []
 - b. Training programs that receive refunds from DIT []
 - c. Training programs that are considered fun []
 - d. Training programs that align Business Strategy []
 - e. Reputation of the training program provider []
 - f. Other (Please specify) _____
12. Please indicate the main duties of the person charged with training and development programs in your company. Please tick [√] the ones that apply.
- a. Training needs analysis, designing programs and conducting training []
 - b. Evaluating effectiveness of training programs []
 - c. Enrolling employees for training programs offered by training firms []
 - d. Ensuring alignment of training programs with business strategy []
 - e. Other (please specify) _____

APPENDIX 2

13. Below are some of the methods used to measure the effectiveness of training and development programs. Please tick [√] against those, which apply to your organization.

- a) Amount of funds used to run the training program []
- b) Increased profitability after a training program []
- c) Increased employee motivation []
- d) Effect of training interventions on achievement of business strategy []
- e) Other (please specify) _____

Please consider the questions below and indicate with a tick [√] in the appropriate space the extent to which the questions apply to your company where;

5 is to a very large extent

4 is to a large extent

3 is to some extent

2 is to a small extent

1 is not at all

		To a very large extent	To a large extent	To some extent	To a small Extent	Not at all
14.	To what extent do all employees understand the company's business strategies?					
15.	To what extent is the top management committed to the development of all employees?					
16.	To what extent does the company carry out a systematic training process that includes training needs analysis, designing training programs, delivering training and evaluating training programs?.					
17.	To what extent is the training					

APPENDIX 2

		To a very large extent	To a large extent	To some extent	To a small Extent	Not at all
	process as outlined in item 16 above aligned to business strategy?					
18.	To what extent are employees made to understand the business case behind training and development programs they attend?					
19.	To what extent are training and development programs reviewed for purposes of aligning them with specific business strategies?					
20.	To what extent is there collaboration between line departments and the training department to ensure that training and development programs offered are aligned to business strategies?					
21.	To what extent does the company ensure that training and development consultants understand the business strategies of the company and incorporate them into the training programs they deliver?					
22.	To what extent do training and development interventions help the company achieve its business strategies?					
23.	To what extent does reimbursement of funds from the Directorate of Industrial Training (DIT) act as a motivator for undertaking training and development programs?					

APPENDIX 2

24. Below are some of the benefits that firms enjoy as a result of offering training and development programs to their employees. Please tick [√] against those, which apply to your organization.

- a) Enhancing the company's image
- b) Improving customer service
- c) Developing employees for promotion
- d) Enabling the company achieve its business strategies
- e) Other (please specify) _____

25. Which of the following reasons is the most important in terms of influencing the decision to mount a training and development program in your company? Please tick [√] one.

- a) Opportunity to get reimbursed for the training expenses from DIT
- b) The need to equip employees with skills that are required to effectively contribute to the implementation of business strategies.

26. Please outline some of the major challenges faced when trying to align training and development programs to business strategies?

APPENDIX 3
LIST OF SAMPLE MANUFACTURING INDUSTRIES

- | | |
|---|---|
| 1. Gilbeys (E.A.) LTD
Kampala Rd, Industrial Area
P.O. Box 18240
NAIROBI | C |
| 2. Fine Knit (K) LTD
Enterprise Rd, Industrial Area
P.O. Box 42190
NAIROBI | C |
| 3. Kenya Uniforms LTD
P.O. Box 72366
NAIROBI | C |
| 4. Wonder Shoe Industries LTD
Industrial Area
P.O. Box 41901
NAIROBI | C |
| 5. NAS Food Processing LTD
Enterprise Road
Box 19010
NAIROBI | C |
| 6. Kenya Co-operative Creameries
Kangundo Road
Box 30131
NAIROBI | C |
| 7. KAPA Oil Refineries LTD
Funzi Road
Box 18492
NAIROBI | C |
| 8. Pembe Flour Mills LTD
Lunga Lunga Road
Box 17955
NAIROBI | C |
| 9. Wrigley Co. (E.A.) LTD
Bamburi Road
Box 30767
NAIROBI | C |

APPENDIX 3
LIST OF SAMPLE MANUFACTURING INDUSTRIES

- | | |
|---|---|
| 10. Karatasi Industries LTD
Enterprise Road
Box 43118
NAIROBI | C |
| 11. Kenya Literature Bureau
Off Mombasa Road
Box 30022
NAIROBI | C |
| 12. Longhorn (K) LTD
Funzi Road
Box 18033
NAIROBI | C |
| 13. East African Oxygen LTD
Kitui Road
Box 18010
NAIROBI | C |
| 14. Sadolin Paints (E.A.) LTD
Jirore Road
Box 18011
NAIROBI | C |
| 15. Johnsons Wax (E.A.) LTD
Lunga Lunga Road
Box 18373
NAIROBI | C |
| 16. Henkel Chemicals (E.A.) LTD
Industrial Area
NAIROBI | C |
| 17. Dunlop Kenya LTD
Box 78265
NAIROBI | C |
| 18. METCO LTD
Lusaka Road
NAIROBI | C |
| 19. Baumann Engineering LTD
Kampala Road
Box 30092
NAIROBI | C |

APPENDIX 3
LIST OF SAMPLE MANUFACTURING INDUSTRIES

- | | |
|---|---|
| 20. East African Cables LTD
Gilgil Road
Box 18243
NAIROBI | C |
| 21. Sumaria Industries LTD
Migwani Road
Box 42565
NAIROBI | C |
| 22. Power Technics LTD
Chogoria Road
Box 49197
NAIROBI | C |
| 23. Atlas Fire Security (K) LTD
Dunga Road
Box 40096
NAIROBI | C |
| 24. Wilken Aviation LTD
Wilson Airport
Box 30135
NAIROBI | C |
| 25. NANAK Body Builders LTD
Dundori Road
Box 49912
NAIROBI | C |
| 26. Associated Motors LTD
Box 30789
NAIROBI | D |
| 27. Cooper Motors Corporation (K) LTD
Kitui Road
Box 30135
NAIROBI | D |
| 28. Wire Products
Athi River Road
Box 18281
NAIROBI | D |

APPENDIX 3
LIST OF SAMPLE MANUFACTURING INDUSTRIES

- | | |
|---|---|
| 29. Highland Cannery
Baba Dogo Rd
Box 15018
NAIROBI | D |
| 30. Nestle Foods (K) LTD
Pate Road, Industrial Area
Box 15018
NAIROBI | D |
| 31. Panesar Industries LTD
Bandari Road
Box 55567
NAIROBI | D |
| 32. African Packaging and Printing LTD
Factory Street, Industrial Area
Box 44735
NAIROBI | D |
| 33. General Printers Limited
Homabay Road
NAIROBI | D |
| 34. Hoechst East Africa LTD
Industrial Area
Box 557744
NAIROBI | D |
| 35. Cabroworks LTD
Box 98567
NAIROBI | D |
| 36. Kenpoly Manufacturers LTD
Lunga Lunga Road
Box 30032
NAIROBI | D |
| 37. Pembe Flour Mills LTD
Lunga Lunga Road
Box 17955
NAIROBI | E |

APPENDIX 3
LIST OF SAMPLE MANUFACTURING INDUSTRIES

- | | |
|---|---|
| 38. House of Manji LTD
Likoni Road, Industrial Area
Box 17955
NAIROBI | E |
| 39. Nairobi Bottlers LTD
Likoni Road, Industrial Area
Box 78032
NAIROBI | E |
| 40. Victoria Industries LTD
Kampala Road
Box 18042
NAIROBI | E |
| 41. Nation Newspapers LTD
Kimathi Street
Box 49010
NAIROBI | E |
| 42. Pfizer Laboratories LTD
Industrial Area
Box 18244
NAIROBI | E |
| 43. Sunflag Textiles and Knitwear Mills
Lunga Lunga Road
Box 41627
NAIROBI | E |
| 44. Devani (Plastic) R. H. LTD
Kitui Road
Box 18177
NAIROBI | E |
| 45. Khetshi Dharamshi and Co LTD
Enterprise Road
Box 43702
NAIROBI | E |
| 46. Associated Battery Manufacturers (E.A.) LTD
Kampala Road
Box 48917
NAIROBI | F |

APPENDIX 3
LIST OF SAMPLE MANUFACTURING INDUSTRIES

- | | |
|---|---|
| 47. Firestone (EA) LTD
Mombasa Road
Box 30429
NAIROBI | F |
| 48. East African Packaging Industries
Kitui Road
Box 30146
NAIROBI | F |
| 49. Timsales LTD
Enterprise Road
Box 18080
NAIROBI | F |
| 50. B.A.T. KENYA LTD
Likoni Road
Box 300000
NAIROBI | F |