Training and Employee Performance: Mediating Role of Job Satisfaction in Civil Society Organizations of Pakistan

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ARTICLE DETAILS

ABSTRACT

In the advanced business world, training is an indispensable tool used to build the new abilities, skills and enhance the employee’s knowledge which in result boost the employee performance. The current research aims to investigate how training influences employees’ performance in the presence of job satisfaction as a mediator in civil society organizations of Pakistan. The quantitative survey research design was used. A sample of two hundred and nineteen employees was drawn from civil society organizations of Punjab, using the Krijchi and Morgan Table. A questionnaire was adopted as a tool to collect the data. Hierarchical regression was run to analyze the mediating impact of job satisfaction on the relationship between training and employee performance. The results indicated that training has a direct positive relationship with the performance of the employee. Further, job satisfaction partially mediates the relationship between training and employee performance. It is suggested that need base and interactive trainings should be provided to enhance employee’s performance.

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1. Introduction

In a global market, improved capabilities, knowledge and skills of the workforce are imperative to take competitive advantage (Mohammad, 2019). Thus, organizations need to create new capacities and skills of their employees through human resource practices. Training is one of the most pervasive techniques used to enhance the abilities of human resource. Effective training programs are essential to develop the desired knowledge, skills and capabilities of the employees and to cope with the upcoming challenges (Wei-Tai, 2006). Hence, employee performance can be enhanced through job-related training which enables employees to perform the specified task amicably which become as source of enhancing the satisfaction level of employees (Aktar et al., 2012).
Research has identified various factors contribute to an employee’s performance and organizations’ competitiveness. Industry experts, human resources management researchers and psychology scholars have acknowledged that for many decades job satisfaction has been an important outcome of human resource practices to develop the skills of employees and improve organizational performance. According to Georgellis and Lange (2007) the correlation between organization sponsored training and job satisfaction significantly diminish the negative behavior, such as absenteeism, early retirement and turnover in different sectors like education sector, service sector, hotel industry (Davidescu, et al. 2020; Muhammad, 2019). However, there is research work in the field of civil society organizations (CSOs).

Civil society organizations are imperative burden sharers of the government to achieve the common objectives of sustainable development. (Kaldor et al., 2012). In addition, CSOs are actively playing the role in policy making agendas and global governance through implementation, monitoring and evaluation (USAID, 2015). Like other organizations, a CSO also has main infrastructure and human resource which may contribute to the performance, productivity or output of a particular organization. Although, employees are the most valuable assets of any organization in accomplishing the project goals, however, employees in such organizations are always engaged in short term projects which are diverse in nature and required to be completed within the specified time period. These diverse projects call for specific task-based skills and knowledge to perform. Thus, employees need to develop a different skill-set basing on the project requirements. Hence, training can build up these skills, capacity and competencies of CSO employees to perform project demanded tasks more amicably. Thus, if the employees are provided with free effective training, it would result in enhancing their skills to do the desired project related task efficiently. Timely competition of tasks would further enhance job satisfaction thereupon boosting their performance.

Job means people involved performing the specific task and the environment, working with colleagues, incentives make the employee more satisfied with the organization. Job satisfaction term was first time used by Hop pock in 1935. “Any contribution, psychological, physical, and environmental circumstances that cause a person truthfully say, ‘I am satisfied with my job” (Siddique & Farooqi, 2014). According to Rehman et al. (2013) more satisfied employee has more positive feelings toward their job and those employees who are not happy/satisfied with their surroundings may have negative attitude. According to Cheung and Wu (2012) job satisfaction is positively associated with employee performance, productivity, organization identification and organizational commitment. Whereas, employee performance automatically increases when the worker is satisfied and more involved in the job.

Employee performance can be measured in terms of productivity, absenteeism and employee satisfaction (Osunde, 2015). Various factors influence employee performance like, boss and employee, company’s overall policies, organization environment, training and professional development of employees (Abbas & Yaqoob, 2009). Training is one of the effective tools for the improvement and interpersonal skills of employees as it has been recognized as the best approach having strongest impact on an organization’s profitability. In result, organization’s performance and productivity increase by accelerating the training programs (Amin et al., 2013; Aragon & Valle, 2013).

On the other hand, some employees won’t be able to perform their job-related tasks due to lack of certain skills. This leads to the dissatisfaction among less qualified and less skilled employees. To cater such dissatisfaction, organizations conduct trainings like, workshops, conference, guidelines for day-to-day activity to help employees learn and perform and to feel more satisfied with the working environment (Aragon & Valle, 2013; Yeh & Hong, 2012). Adesola et al. (2013) found the positive and significant relation between job satisfaction and training and concluded that high level training program increase the level of job satisfaction which consequently, increase the abilities of employees to do their task in an organized way. Therefore, it is argued that training not only facilitates employees to perform their tasks well, it also minimizes their level of dissatisfaction with their jobs.

Besides, satisfaction of an employee can be increased by giving those rewards, benefits, promotion and even appreciation. Rewards can be classified into two forms; intrinsic rewards and extrinsic rewards.
Intrinsic reward is something internal to someone that is determined by personal enjoyment in work. It includes rewards such as: personal growth, sense of enjoyment, and professional achievement. While, extrinsic rewards deal with the benefits which are given by the organization, such as, pay, fringe benefits, bonus and career development opportunities (Priya & Eshwar, 2014). Therefore, when the policies made by the management are in conflict with the expectations or interests of employees, satisfaction level among employees will be low (Rothbard et al., 2005). It can be concluded, in result, job satisfaction would lead to better employee performance if the expectations or interests of employee towards the job would be increased (Abbas & Ashiq, 2020).

In addition to aforementioned literature, various researchers examined the mediating role of job satisfaction between HRM practices and employee performance (Ali & Rehman, 2014; Zumrah et al., 2013). They found that job satisfaction has significant effect on employee performance and fully mediates the relationship between HRM practices, especially training and employee performance.

Employee’s skills, knowledge capabilities and confidence make the organization more productive and compatible in the business world (Ahmad et al., 2014). Training is an efficient and indispensable tool for both organizations and employees. Organizations spend huge amount of money on employees’ need base training to enhance their performance and increase their satisfaction level (Falola, 2014). Thus, it can be hypothesized that training increase the employee performance in the presence of job satisfaction as mediator in this relationship. Therefore, following hypotheses can be formulated.

$$H_1$$: There is a significant relationship between training and employee performance in CSOs.

$$H_2$$: Job satisfaction significantly mediates the relationship between training and employee performance in CSOs.

2. Conceptual Framework

Based on the aforementioned literature review and hypotheses, the following conceptual model was proposed which illustrates the mediating role of job satisfaction on the relationship between training and employee performance.

Figure 1. Conceptual framework of the study

3. Research Methodology

The current research adopted a quantitative survey research design. The convenient sampling technique was used. The total two hundred and nineteen employees working on projects in different CSOs were selected using the Krijchi and Morgan table. A self-reported questionnaire was adopted to capture information to test the hypotheses. The role of “Training” was measured with 12 item scale adopted from Abbad (2004). Similarly, to measure the “Employee’s performance”, 8-items scale was used, developed by William and Anderson (1991). To assess the “Job satisfaction” level of employees, 20-items scale developed by Chang et al. (2010) was adopted. All variables were rated on a 5-points Likert scale ranging from strongly disagree to strongly agree. Questionnaires were distributed among employees during a training session. The data were analysed through the means, standard deviations and correlation of all variables. In addition, to test the hypotheses, Baron & Kenny (1986) mediation method was used. For this linear regression and Hierarchical regression was computed by using the SPSS v.22.
3.1 Reliability of the Instrument
Cronbach’ Alpha was used to measure the internal consistency and reliability, mostly its value ranged from 0 to 1 but the most satisfactory value considered more than 0.6 for scale to be reliable (Alzalabani & Modi, 2014). Table 1 shows the values of Cronbach’ Alpha for all scales.

Table 1. Cronbach Alpha of each scales of the current study

<table>
<thead>
<tr>
<th>No.</th>
<th>Variables</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Training Impact Scale</td>
<td>0.768</td>
</tr>
<tr>
<td>2.</td>
<td>Employees Performance Scale</td>
<td>0.741</td>
</tr>
<tr>
<td>3.</td>
<td>Job Satisfaction Scale</td>
<td>0.745</td>
</tr>
</tbody>
</table>

The above table shows the internal reliability of each item in the scale. All the reliability values are above the cut-off point 0.7.

4. Results
In demographic profile section, five main questions were asked from the respondents regarding their age, gender, working experience in the current organization and attended trainings. Frequency and percentages were computed of these categorical variables. The results indicated that there was total 106 females and 113 males, that is, 48% females and 52% males respectively, were participated in the study. These statistics showed that the selected sample was gender balanced. The categorial variable “Age” was distributed into three categories, i.e., less than 25 years old, in which 41 participants lied in this group, which is 18.7% of the total sample. Further, 116 participants (53%) were belonged to 25-35 years of age group and in the “more than 35 years” age group, there were 62 respondents (28.3%). The third categorical variable of the study was the year of experience in the current civil society organization which was measured onto three levels. The employees having “one year” working experience were 45 (20.5%), whereas, the employees having “2 to 4 years” working experience were 120 in total, which was 54.8% of the total sample. In the last category of experience “5 years and above”, there were total 54 (24.6%) participants. These frequencies showed that half of the respondents were having 2 to 4 years of experience. Further, the last question was about the number of trainings that the respondents already had participated. There were three levels of this categorical variable. Participants who had attended “one training” were 48 (21.9%), whereas, 133 participants (60.7%) had already attended “2-4” trainings. While only 38 participants which is 17.4% of the total participant were attended “more than 4 training”.

Table 2. Association between the categorical variables

<table>
<thead>
<tr>
<th>Association between the variables</th>
<th>( \chi^2 ) Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender * No. of trainings</td>
<td>( \chi^2(2) = 9.004^* ) ( p &lt; .05 )</td>
</tr>
<tr>
<td>Gender * working experience</td>
<td>( \chi^2(1) = 2.601 ) ( p = .272 )</td>
</tr>
<tr>
<td>No. of trainings * working experience</td>
<td>( r_{\tau} = 0.542^{***} ) ( p &lt; .001 )</td>
</tr>
</tbody>
</table>

To investigate the association between gender of the respondents and the total number of trainings in their career, Chi square test of independence was run. Results revealed a significant association between the variables \( \chi^2(2) = 9.004^{**} \), \( p < .05 \). In addition, it was also found that as compare to female participants (26.3%), male participants (73.7%) attended the “more than 4 trainings” in their career. Further, in order to measure the association of gender with the working experience, a non-significant chi-square value indicated that gender of the respondent is not associated with the years of their experience. Moreover, to investigate the association between the working experience and number of trainings, the Kendall’s Tau-b was applied because both variables were ordinal. Based on the results of the study those with more years of experience were likely to more trainings \( r_{\tau} = 0.542, p = 0.000 \). These findings showed that employees who retain in the organization for longer time period, the organization frequently offer them the trainings to equip them with the required skills.
4.1 Results of Hierarchical Regression Analysis

To test hypothesis of the study, that is, to examine the effect of the training on employees’ performance and job satisfaction, Baron and Kenny (1986) method was adopted. Baron and Kenny (1986) presented a four step method to measure the mediation effect of mediator in the relationship of causal and outcome variable. The first step deals with the measuring of bivariate correlation coefficients among the variables. Therefore, bivariate correlation coefficients among the variables of the study along with their respective descriptive statistics were calculated in table 3.

Table 2. Descriptive Statistics and Correlation Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>S.D</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>3.7466</td>
<td>.3668</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.6477</td>
<td>.6003</td>
<td>.476*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Employees Performance</td>
<td>3.8253</td>
<td>.5289</td>
<td>.466*</td>
<td>.751*</td>
<td>1</td>
</tr>
</tbody>
</table>

**p < 0.01

The means for each variable showed that overall respondents showed their affirmation regarding role of “training”, “job satisfaction” and “performance”. Further, the small values of standard deviation assured the less variation thus more consistency within the variables. Moreover, the correlation coefficient between the variable “training” and “Job satisfaction” was found significantly positive ($r = 0.476$, $p < 0.01$). in addition, “training” was also found to have significantly positive correlation with the “employee’s performance” ($r = 0.466$, $p < 0.01$). Similarly, the “Job Satisfaction” and “Employee’s Performance” were found to have significant positive correlation between them ($r = 0.751$, $p < 0.01$). Hence, the significant correlation coefficients among the variables satisfied the first step.

Though predictor (Training), mediator (job satisfaction) and outcome (employee’s performance) variables were significantly correlated, however it was not enough to justify the effect of mediator on the relationship between the predictor and outcome variable because both mediator and outcome variable are caused by predictor. Therefore, in the next step, the causal effect were measured.

In the second step, to investigate the significance of the effects between the causal variable/predictor, i.e., “training” on the outcome variable “Employee’s performance” and moreover, effect of “training” on the mediator “Job satisfaction” and lastly the effect of “job satisfaction” as predictor on the “employee’s performance”, the linear regression analysis was computed. three linear regression models measuring effects between the independent, dependent and mediated variables were run in table 4.

Table 4. Linear regression models of effect of training & job satisfaction on E. performance

<table>
<thead>
<tr>
<th>Outcome variables</th>
<th>Model</th>
<th>Unstand Coefficients</th>
<th>Stand. Coeff</th>
<th>t</th>
<th>R</th>
<th>R²</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-Performance</td>
<td>1</td>
<td>Constant</td>
<td>6.586</td>
<td>2.065</td>
<td>3.19</td>
<td>102.91***</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Training</td>
<td>.435</td>
<td>.043</td>
<td>.572</td>
<td>10.15***</td>
<td>.572 .324</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>(Constant)</td>
<td>10.02</td>
<td>5.82</td>
<td>1.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Training</td>
<td>1.378</td>
<td>.121</td>
<td>.617</td>
<td>11.41***</td>
<td>.62 .381</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>(Constant)</td>
<td>8.475</td>
<td>1.18</td>
<td>7.20</td>
<td>263.79***</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Job Sat</td>
<td>.249</td>
<td>.015</td>
<td>.740</td>
<td>16.24***</td>
<td></td>
</tr>
</tbody>
</table>

For Model-1, the linear regression was applied to measure the effect of ‘Training” on the “Employee’s performance”. The ANOVA results verified the significance of the regression model-1 ($F (1, 212) = 102.91$, $p < .001$). In addition, the “$R^2$” values showed that training explained 57.2% variation in the employee’s performance. Further, the significant regression coefficient proved the significant effect of training on the employee’s performance ($b_1 = .572$, $p < 0.001$). in model-2, the variable “Job
satisfaction” was taken as dependent variable keeping “Training” as independent variable. ANOVA results ensured the significant prediction of the model 2 ($F(1, 212) = 130.24, p < .001$) and regression coefficient was found significant too ($b_2 = .617, p < 0.001$), that is, one unit increase in training, increases 0.617 units of satisfaction in job. Moreover, $R^2 = .381$ depicted that “Training” as predictor generates 38% of the variation in the variable “Job satisfaction.

Lastly, in the linear model-3 of predicting the effect of job satisfaction on the employee’s performance, the significant F-value ensure the existence of this model too ($F(1, 217) = 263.79, p < .001$). Also, the significant coefficient regression ($b_3 = .74^{***}$) showed that job satisfaction significantly predicted the employee’s performance and total 54.9% of the variation was explained by the independent variable.

In the next part, the test the hypotheses of the study, hierarchal regression was run to examine the relationship between training and employee performance in the presence of job satisfaction as a mediator.

| Table 6. Hierarchical Regression of Job Satisfaction as mediator between Training & Performance |
|----------------------------------------------|-----------------|----------------|----------------|----------------|
| Model | Unstandardized Coefficients | Standardized Coefficients | t | Sig. |
|       | B | Std. Error | Beta |       | Tolerance | VIF |
| A (Constant) | 6.586 | 2.065 | 3.190 | .002 | 1.000 | 1.000 |
| TR | .435 | .043 | .572 | 10.145 | .000 | 1.000 | 1.000 |
| $R^2$ | .327 | | | | |
| $F$ | 102.911 | | | .000 | |
| $\Delta R^2$ | .327 | | | | |
| B (Constant) | 4.444 | 1.663 | 2.672 | .008 | 1.000 | 1.000 |
| TR | .140 | .044 | .184 | 3.215 | .002 | 1.000 | 1.000 |
| JS | .214 | .019 | .628 | 10.966 | .000 | 1.000 | 1.000 |
| $R^2$ | .571 | | | | |
| $F$ | 140.530 | | | .000 | |
| $\Delta R^2$ | .244 | | | | |

a. Dependent Variable: EP

To move further, first the collinearity statistics, i.e., tolerance and VIF, were investigated to verify that there was no multicollinearity issue between the independent variables. The tolerance value is associated with each independent variable present in the model. Its value ranges from 0 to 1, the tolerance value less than 0.4 indicate an issue of multicollinearity in the data (Allison, 1990), however, some statisticians mentioned the value less than 0.2 as problematic (Weisburd & Britt, 2007). It means higher the tolerance, multicollinearity lowers. Here in this study, the collinearity tolerance value was found 0.619 (Tolerance > 0.6) for both independent variables, which ensured that high tolerance for both the “Training” and “job satisfaction”. Further, the Variance Inflation Factor (VIF) which must be less than 5 (Field, 2013), here VIF statistics for both independent variables were also found less than 5.

For the model-A with “Training” as causal variable, the ANOVA results indicated that the regression model was found significant ($F(1, 212) = 102.911, p < .001$). In addition, the “$R^2$” which explains the variation in this linear model, here for “Training” as the only predictor, it was found 0.327. It showed that training generated 32.7% of the variation in the variable “Employee’s performance”.

In the hierarchal model-B with the addition of “Job Satisfaction”, in the next step of model-A, as a causal variable, this regression model was also found significant ($F(2, 211) = 140.530, p < .001$). In addition, the “$R^2$” value was also increased to 0.571. It showed that job satisfaction when added with training generated 57.1% of the variation in the outcome variable “Employee’s performance”. This increase in the $R^2$ values from 0.327 to 0.571 also affirmed that model has improved further.

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Further, investigating the beta values as shown in table 6, it was found that training exerted a positive and significant effect on employee performance ($\beta = .572, p < .001$). Hence the $H_1$ was accepted. In the last stage hierarchical analysis applied to analyze the mediating effect of job satisfaction, it was observed that the Beta ($\beta$) value indicating the effect training on employee performance ($\beta = .141, p < 0.01$) in the presence of job satisfaction has decreased, however, the relationship remained significant. Moreover, regression coefficient of the job satisfaction depicted a significant effect on the employee’s performance ($\beta = .628, p < .001$). These significant Beta ($\beta$) values in hierarchical regression result proved a partial mediation (Baron & Kenny, 1986), thus the $H_2$ of this study was also accepted. The indirect effect of training on the employee’s performance was measured as $\beta_1 \times \beta_2 = 0.617 \times 0.628 = 0.387$. Thus, the direct effect of training on employee’s performance was $0.184$ which was also significant at $p < 0.01$ (“total effect – indirect effect”, i.e., $0.572 - 0.387 = 0.185$).

The other way to verify the mediation in the model is to measure the Sobel’s test which was found at $9.391$ ($S.E = .0365$) significant at $p < 0.001$, which ensures the mediation of the mediator variable job satisfaction (Hayes, 2009). We may, therefore, conclude that the job satisfaction partially mediates the relationship between training and employee performance. Thus, training has a direct effect on employee performance and has indirect effect through job satisfaction.

Figure 2. Direct and indirect effect of Training on Employee Performance mediated through Job Satisfaction

5. Discussion
In this research two hypotheses were formulated; one was to measure the direct effect of training on job performance and the second hypothesis was to measure the effect of training on performance mediated through job satisfaction. Correlation coefficients, linear regression analyses and Hierarchical regression analysis were used to test the acceptance and rejection of hypotheses. The findings revealed that the training had a direct and significant effect on performance of the employees in a civil society organization of Pakistan, further, job satisfaction mediated significantly in this relationship. All the results of this study were aligned with the existing literature. This study affirmed that the significant direct effect of training on employee performance in CSOs, which is highlighted in previous studies of Falola (2014); Ahmad et al. (2014); Amin et al. (2013) and Bulut & Culha, (2010). Proceeding with mediation, the current research showed the significant and positive effect on job satisfaction, these results are similar to the previous researcher (Aragon & Valle, 2013; Yeh & Hong, 2012; Adesola et al., 2013). Moreover, the findings of significant effect of job satisfaction on employee performance also are in parallel with the earlier researcher (Siddique & Farooqi, 2014; Rehman et al., 2013; Rothbard et al., 2005). Lastly, the hypothesis about the mediating role of job satisfaction, it was found that job satisfaction partially mediates the relationship between training and employee performance. The results are in line with previous researches of Zumrah et al. (2013).

6. Conclusion and Recommendations
The aim of this study was to analyze the impact of training on employee performance and mediating role of job satisfaction in the civil society organization in Pakistan. The study findings revealed that training had significant influence on employee’s performance. In addition, significant mediating role of job satisfaction was also found between the relationship of training and employee performance. The results projected the need of training and job satisfaction to enhance the employee performance specially in civil society organizations. Thus, it can be concluded that the organization must develop policies to train
their human resource and facilitate them equally to get the goals of the organization comprehensively. In the light of the results and existing literature, it can be concluded that the organizations should provide opportunities of skill-based trainings on regular basis to overcome the gap between job required competencies and employee’s qualification in this rapidly changing business world. Hence, these training programs, according to the task specification, will boost the morale of the employees. Thus, Need Assessment (TNA) should be an integral part for an effective training. In Consequence, it will maintain the sense of association and belongingness of the employee with the organization through the increased job satisfaction level. Moreover, it will improve the intellectual level of the employees through conceptual development of new innovative techniques. In addition, quantitative evaluation, pre-assessment and post-assessment should be conducted to measure the understanding level of these employees. Furthermore, for effective outcomes of training, training session should be Interactive Activity Base (IAB) including answer-question session, in result, it would remove the shyness of the participants attending the training and they will learn more adequately. In nut shell, CSOs should focus the concept that how to increase the job satisfaction level of their employees by offering effective and incentive-based trainings. It may be suggested that the organizations should announce such incentives to the efficient employees for their smart performance, it will increase the retention ratio of the core employees. Consequently, this increased ratio of the core employees may be a bench mark for the better reputation and development of the civil society organizations.

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