

## **Examining the Effect of On-the-Job Training on Employees' Occupational Performance in Sepah Bank, Qazvin Province, Iran**

**Somayeh Pirzadeh Atmian Sofla<sup>\*</sup>, Hossein Eslami, Seyed Yahya Abtahi**  
Yazd Research & Science Branch, Islamic Azad University, Yazd, Iran

\*E-mail: [so.pirzadeh@chmail.ir](mailto:so.pirzadeh@chmail.ir)

### **Abstract**

On-the-job training is considered as one of the most effective management methods for adapting employees to environmental changes and it can guarantee desired performance, particularly in services and governmental organizations. This purpose of study is to investigate the impact of employees' on-the-job- training on their occupational performance in Sepah Bank of Qazvin, Iran. To do this, the opinions of 155 employees working in Sepah Bank of Qazvin Province, and opinions their direct managers towards the impact of on-the-job- training on occupational performance were collected through questionnaires. The results of this study showed a significant relationship between on-the-job- training and performance yield increase, revealing that the training increased employees' knowledge and occupational skills as well as their cooperation morale. Yet, no significant relationship was found between increased performance after following on-the-job training and employees' accurate decisions and judgments.

**Keywords:** on-the-job- training, occupational performance,

### **Introduction**

Banks are accounted as important organizations that establish economic and social equations in a system. Economic changes in the present century indicate that investment is thought to be a requisite for economic development and any kind of investment needs a high income yield along with a return rate of original capital and profit, while investment is a basis for any human investment. On-the-job training is a productive movement to remove the most serious shortcoming of the educational system: lack of work experienced. Veil S. Peach believes that on-the-job training is a vital activity for all organizations and provides tangible benefits such as increasing qualitative and quantitative yield in acceptable jobs, conforming individuals with organizational needs, contributing to solutions for operational problems, and finally preparing individuals for promotions and improving their incomes.

Each organization is being formed based on goals and principles of its founders. Principles of banks consider beneficial goals including giving services and of course sales of services. Bank services mostly contribute to purchase than buying. The more varied and economic services are, the more profitable they will be. Currently, despite technological advancements and various technologies in flow in organizations, man power has been considered one of the significant sources of growth and advancement in every organization. Today recognizing factors affecting employees' occupational performance is among important management plans.

On-the-job- training refers to a systematic endeavor with the main purpose of conforming forthcoming needs and interests of employees to the organization's goals and needs in the form of duties which they are expected to perform. To this end, individuals' functions in their workplace would be improved by constant acquisition of knowledge, skills, and suitable new attitudes principles. Such kind of training, is considered as a part of employees' training system in an organization, is introduced after pre-service training and it will refresh abilities, promote creative

thinking, encourage organizational expressions, and make positive modifications in employees' occupational status by fostering better understanding of the organization's strategic goals.

According to the joint educational regulation of banks' staff approved in 2001, training will be implemented for raising knowledge and occupational information in bank' staff, providing skills and capabilities required to carry out duties, and cultivating manpower to be employed in different positions of banks. Banks are obliged to plan, shape and perform staff training and apprenticeship programs. Short-term training courses are those that provide banks with training needs and promote employees' occupational skills and information during a period less than one year.

The present study was conducted in the 2012 with the purpose of examining the impact of the employees' on-the-job- training on their occupational performance in Sepah Bank, Qazvin Province, Iran. In case employees' on-the-job- training puts a positive effect on a work yield, this variable can be optimally used for improving employees' occupational performance.

### **Materials and Methods**

This descriptive-sectional study was done in the 2012 with a sample of 155 participants selected from a statistical population of 257 employees including the staff of Sepah Bank, Qazvin Province, Iran. The number of sample was selected based on Morgan table. Random sampling was used and questionnaires were sent to different bank branches following prior coordination with Qazvin Province Training Department. The improvement of occupational performance was evaluated by indices including work yield, work quality, higher performance pace, creativity, and innovation. The questionnaire was a 5-point Likert scale ranging from 5 (strongly agree) to 1 (strongly disagree).

In order to determine the validity of questionnaire, at first 30 questionnaires were submitted to professors and then they were filled out by samples. On the other hand, Cronbach alpha was used to determine the reliability of questionnaire that was found to be 0.98. For data analysis, descriptive statistical methods (such as frequency, mean, variance, and etc.) and inferential statistics such as t-test, and variance at %5 significance were performed in SPSS for statistical analysis and in Excel for data processing.

### **Results**

One hundred fifty five employees of Sepah bank, in Qazvin Province, Iran, participated in this study through answering the questionnaires, i.e. 100 percent responding due to the coordination with Sepah Bank training center. The participants consisted of 33 (%21.3) females and 122 (%78.7) males. Their work experiences were as the followings:

35 (%22.6) had worked for a period of 1-5 years, 53 (%34.2) for a period of 6-10 years, 20 (%12.9) for a period of 11-15 years, 21 (%13.5) for a period of 16-20 years, 21 (%13.5) for a period of 21-25 years, and 5 (% 3.52) for a period of 26-30 years. In addition, 54 (%34.8) held a high school diploma, 21 (%13.5) Associate's Degree, 76 (%49) BA or BSc, and 4 (% 2.6) MA or MSc.

Employees and directors were asked to express their opinions about the impact of on-the-job training courses on work yield increase. As a result of the study, on-the-job training courses was found to have had a significant impact on work yield increase ( $\alpha = 0.01$ , the level of significance 0.000 and  $DF = 308$ )

Then, their opinions about the impact of on-the-job training courses on raising occupational skills and knowledge were asked. They believed that the courses had a significant impact on raising occupational skills and knowledge ( $\alpha = 0.05$ , the level of significance 0.017;  $df = 308$ ).

Afterwards their opinions about the impact of on-the-job training courses on accurate judgment and decision-making were asked, and they believe that the courses had a significant effect on accurate judgment and decision-making ( $\alpha = 0.05$ , the level of significance 0.243;  $df = 308$ ).

Finally, their opinions about the impact of on-the-job training courses on cooperative spirit were asked, and they again believed that the courses had a significant impact on their cooperative spirit ( $\alpha = 0.05$ , the level of significance 0.006;  $df = 308$ ).

### **Discussion**

On-the-job training is considered as one the most effective management methods for adapting to the environmental changes and it can guarantee to provide suitable services to governmental and services organizations. If on-the-job training is performed regularly and intentionally and in the course of actual needs of staff, it may not only promote organizational performance, but also it can enhance directors' skills and result in increasing staff and clients' satisfaction. J. Grison from the American quality and operation center believes that the greatest relative and long-term superiority of Japan lies in its training especially on-the-job training not its just management system. According to the national studies conducted between the years 1986 and 1987, approximately six million people received on-the-job training and it seems that almost one to two million people in England are working as the on-the-job trainers. Surprisingly, an inconsiderable number of studies have been conducted on on-the-job training subject.

At this stage of research, only some basic studies can be reviewed as well as general outlines of executive directors' activities which are planned for improving their effectiveness as on-the-job trainers. On-the-job training has been introduced to deal with people belonging to different races, ethnics and nationalities including problems or subjects. To this end, people will be trained in two fields: how to be informed and how to develop skills. The former means individuals should be able to consider needs and management methods specified to those who belong to different cultures and races. The latter means the person in charge of a branch or an employee should pay attention to cultural disputes in their workplace. Zia Alkarim and Mahboob (1992) in their studies on four groups of effective factors on occupational performance (individual group, attitude group, factors depended on job and status specifications) demonstrated that there was a positive relationship between on-the-job training and occupational performance. William Terri points out that on-the-job training is the most common, preferred and necessary training method for employees and its objective is to develop skill for doing a job.

Present evidence reveals that performance evaluation is considered a basic characteristic for many organizations and determines the best training methods as well as being the most important means for recognizing training needs. Workforce training in banks can effectively increase the personnel yields and it may enhance their performance and efficiencies. In order to raise personnel's knowledge, Sepah Bank held some specialized and practical courses to promote its employees performance and skills by using available facilities. Under such circumstances, the plan can increase speed, accuracy and precision in employees' works. Sepah Bank, which has employed 18000 personnel and held courses relevant to banking, strives to empower its personnel continuously. Jafari studied the impact of the on-the-job training courses on directors' performance in the city of Bandar Abbas, from the viewpoints of teachers and educational experts in schools in period 1994-1995. The results obtained from his study demonstrated that on-the-job training encouraged the workforce to achieve their goals and missions. Asadi (2007) studied factors affecting occupational performance of Physical Education Organization experts in his thesis, indicating that experts who worked as headquarters had higher occupational performance.

The coefficient correlation results showed that there was a significant relationship between headquarter experts' performance and job satisfaction, job encouragement, career record, and educational factors.

### Conclusion

Employees and their direct managers in Sepah Bank considered on-the-job training courses effective in promoting occupational performance in relation to work yield, increase of knowledge and occupational skills, and cooperative spirit. Also, the results of a study conducted by Alizadeh (2003), and Tamson and Walderling (1999) confirm this finding. Although other studies confirmed the positive impact of on-the-job training on accurate judgment and decision-making, this study did not confirm that issue. As a result, investment in other methods might be needed to promote employees' accurate judgment and decision-making.

### References

- Abtahi, Seyed, H. (1994). *Manpower management*. (2<sup>nd</sup>Ed). Payam Noor University, Tehran.
- Doaee, H. (2003). *Manpower management: Applied attitude*. Tehran.
- Joint Training Regulation of Banks Staff. (2001). Chapter one (generalities), Ministry of Economic Affairs and Finance.
- Latifi, F. (1993). *Training mastery instead of control*, 36.
- Owrangi. (2011). Examining the impact of on-the-job training on occupational functions of Shiraz teachers. *New approach in Educational Administration Periodical*. 2, 5.
- Pi Rabinz, A. (2002). Organizational behavior: Dr. Ali Parsaeian & Seyed Ali Arabi, 2, Daftar Pazhooheshaye Farhangi Publication: Tehran.
- Peach, D. S. (1965). *Individual's management in their functions*. McMillan Press.
- Seidar, S.J. (2002). Training & its role in manpower promotion. *Knowledge*, 2, 56-67.
- Slowman, M. (2003). *Occupational training strategy*, Translated by Ziaee & Bigdeli. Sar Gol Publication: Tehran.