

SUMMARY

The challenges governments face today are both internal and external; globalization, new technology, employee retention, and departmental growth are some of the issues affecting the human resource departments and training practices in government organizations. Government organizations are experiencing significant changes due to new technology, rapid development of knowledge, globalization of business, and the development of e-commerce. Training has become one of the most natural and reliable response that meets most of the above challenges. Proper identification of training needs is also of paramount importance to ensure that public sector organizations are performing at their highest capacity. This policy brief demonstrates how effective training programs can positively affect organizational performance. It is based on a comprehensive study that assesses the effectiveness of training programs in Dubai's public sector and its impact on its overall performance. The study ultimately finds that Dubai's government has succeeded in achieving effective training results which have positive impact on its output and effectiveness.



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The Impact of Effective Training on Organizational Performance in Dubai's Public Sector*

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Introduction to the Third Training Policy Brief of the Series

This is the third in a series of three policy briefs that examine the relationship between training practices/effectiveness and organizational performance in Dubai's public sector. The study is based on comprehensive primary data that was gathered from the majority of public sector entities within the Emirate of Dubai. First, semi-structured and in-depth interviews were conducted with Human Resources and training directors from 17 main government entities in Dubai. Second, a survey instrument was developed and sent out to all public organizations in Dubai. Out of the 60 surveys sent out, 49 were filled-out and returned representing a significant response rate of 81%. To the knowledge of the authors, this is the first large scale study of its kind that covers the topic of training in UAE's public sector.

Introduction

Governments in the 21st century have witnessed dramatic institutional, economic and operational changes. One major shift was in knowledge economy, Powell and Snellman (2004). Competition among countries and organizations is no longer determined by who owns more natural or financial resources, but rather who has more innovative and creative ideas. Therefore, for public organizations to remain competitive, they are required to equip their employees with the relevant skills that will allow them to be creative and innovative members of their organizations, and to permit them to contribute to their overall success and excellence in service delivery.

The Middle Eastern countries, especially the ones in the Gulf, believe that the introduction and implementation of new managerial models would result in positive outcomes for their organizations. The discovery of abundant oil revenues allowed the Gulf countries to build modern states in less than thirty years, which can be considered an unprecedented developmental achievement. They managed to utilize their financial surpluses to attract and implement the best managerial practices in their public and private organizations and sustain an increasing level of development. Other Middle Eastern countries have also been trying to shift from the traditional and bureaucratic models toward more managerial and result-oriented ones. That is why the late 80s were called "the decade of administrative development", Zoubi (1982). It is important to indicate, at this point, that while there is a huge body of literature that addresses the fundamental relationship

* Surveyed and interviewed organizations include: The Dubai's Executive Council, Dubai Electricity and Water Authority (DEWA), Dubai Economic Department, Dubai Chamber of Commerce and Industry, Dubai Public Prosecution, Department of Tourism, Dubai Health Authority, Dubai Municipality, Dubai Statistics' Office, Dubai Media, Dubai Customs, Dubai Land Department, Dubai Airports, Dubai Corporation of Ambulance Services, Dubai Culture and Arts Authority, Road and Transport Authority (RTA), Knowledge and Human Development Authority, Mohammed bin Rashid Housing Establishment.

between training programs and organizational effectiveness, there is a dire lack and scarcity in such research within the Middle East and North Africa region. This is mainly due to the lack of importance given to research and development along with the absence of skilled human resource managers who should implement such practices within both public and private organizations, Ali and Maglhaes (2008).

This policy brief demonstrates how effective training programs can positively affect organizational performance. It is based on a comprehensive study that assesses the effectiveness of training programs in Dubai's public sector and its impact on its overall performance. The study finds that Dubai's government has succeeded in achieving effective training results, which garner positive impact on its output and effectiveness.

Training as a mechanism for enhanced public sector delivery

Both developing and developed countries have suffered from the ineffectiveness of their training programs. There is a significant body of literature which discusses the reasons why training programs in developing countries do not lead to the desired outcomes. Many studies argue that most of the training programs in developing countries have failed to achieve their expected results mainly due to their inability to design a training program that targets specific objectives. Healy (2001) states that various training programs were offered in government organizations in some developing countries, but they were very ineffective in the sense that they were very theoretical and too broad, and were not directed towards achieving any specific objectives. The training programs were not responsive to the needs of the employees as their needs or weaknesses have not been identified. There was also no coordination among the different stakeholders within these organizations.

Therefore, significant financial resources, time and effort were wasted in training programs that were not well-designed, were inefficient and had no prior analysis to identify the shortfalls in the knowledge and experience of their public servants. In order to maximize the effectiveness of these training programs and ultimate organizational effectiveness, Binstead and Stuart (1979) proposed three main elements that have to be taken into

consideration in future training programs: 1) content of the training programs, 2) processes and 3) the organizational environment. These three components have to be carefully scrutinized, especially during the design phase since training programs need to be closely aligned with the context of the organization, the needs of the employees, and the areas of development they want to strengthen.

Effective training practices/ strategy and training outcomes

Planning for a coherent and lucid training strategy is an important first step that training managers need to take into consideration while designing a training strategy. The planning should start with the complete understanding of the objectives and reasons as to why an organization wishes to invest in training. Identifying the needs of the employees and their expectations should be clearly indicated in the training strategy as the first pillar, Binstead and Stiert, (1979).

In fact, training and learning can be further facilitated by technological instruments that deliver the content in a more illustrative and clear manner. After the implementation of sufficient technological devices, development is the second step. It focuses on the performance of the learning activities and the cost that it involves. The next two important steps are implementation of the training programs and control of their performance and overall operation, Ramirez (2008).

The importance of creating a clear training strategy has had a positive impact on training effectiveness in Dubai's government. As Figure 1 shows, 91.6% of respondents agree that their measured training effectiveness witnessed substantial improvement due to the implementation of well-designed training strategies.

A total of 85.7% of the survey respondents indicated that the training methods that were used to deliver training were vital in determining the quality and effectiveness of the training. Equally important was the allocation of a sufficient training budget that allowed training departments to deliver quality programs with a positive response rate of 89.8%. A clear strategy, a diverse and purposeful training method and a sufficient training budget are three significantly crucial components for effective training and, hence, effective organizational performance.

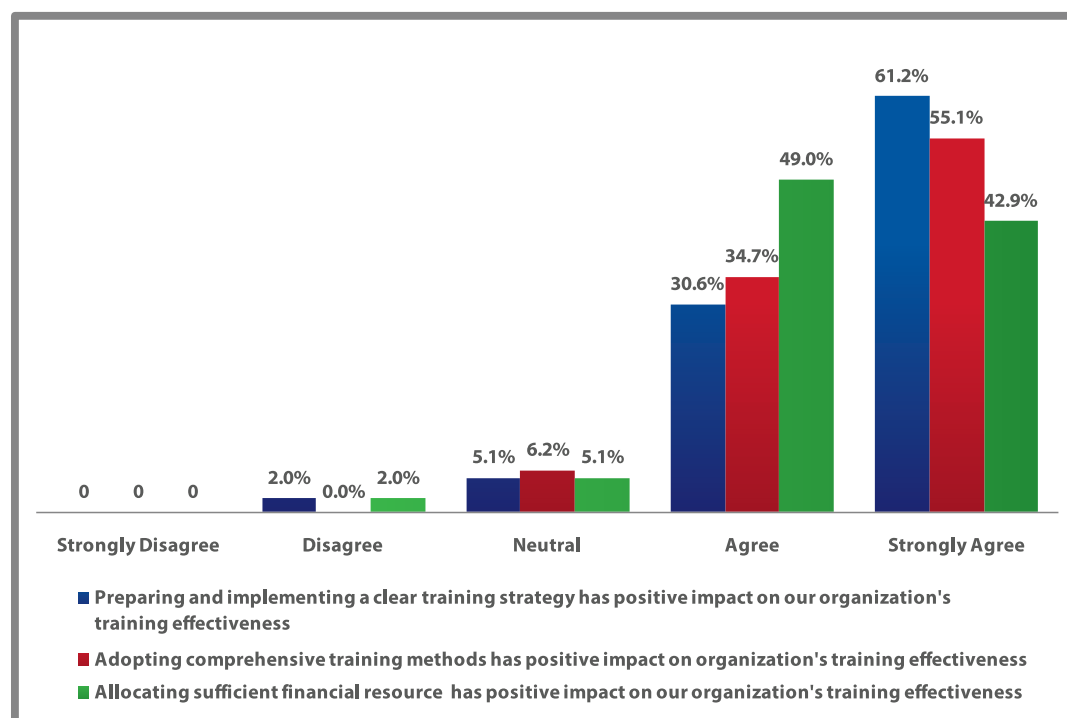
Impact of effective training on employee's performance and productivity

One of the main goals of training programs is to build strong, competent and qualified personnel in both the private and public sectors (Healy 2001). The core of any organization is its human capital; the strength or weakness of this capital is reflected in the overall performance of the organization. Mentz (1997) argues that improving public service and the quality of its delivered services is strictly contingent on the effectiveness of the training programs that are provided to its employees. In fact, organizations have to constantly introduce new managerial practices and instruments in order to be more competitive and effective in public service delivery. Hence, both private and public organizations have to constantly compete in order

to provide the most affordable products and the best services to the public. That, in turn, relies not only on the provision of training programs to provide employees with the necessary skills to perform their duties, but significantly relies on the effectiveness and quality of these training programs.

the extent a training programs succeeds or fails to achieve the desired changes within organizations is measured by 4 factors that McCourt and Sola (1999) identified: 1) the immediate reaction of the participants in the training sessions and whether or not they felt that the training helped strengthen the weaknesses they previously had, 2) the lessons learned from the training and whether or not they have advanced their knowledge about their area of specialization, and if they learned something new, 3) if the participants in the training felt any change

Figure 1: Training strategy and methods' impact on training effectiveness



in their behavior toward identifying and solving problems, and 4) evaluation of the impact of the training programs on the overall performance of the organization. These 4 steps contributed significantly in determining to what extent the training was effective in addressing the objective it had been set up for. Also they helped recognize the shortfalls in the existing programs, and what the public servants had suggested to make them more effective.

The impact of training programs on the skills and knowledge of government employees in Dubai seems to be high. A total of 83.7% of Human Resources and training respondents indicated that the evaluations conducted after their employees completed their training courses were significant in bringing about positive changes to their knowledge and skills. More proof that the training programs were effective was apparent as 87.8% of respondents stated that the training programs

have met the participants' needs and expectations. This is essential to take into consideration since the main challenge that governments in developing countries are facing is the inefficiency of training courses that do not match the needs of the employees. Moreover, 71.4% of respondents indicated that their trainees' performance improved after conducting the training, and 69.4% said that the training programs had a positive impact on the overall productivity of the employees within their organizations. The improved performance of public sector employees in Dubai is the main ingredient for higher organizational performance.

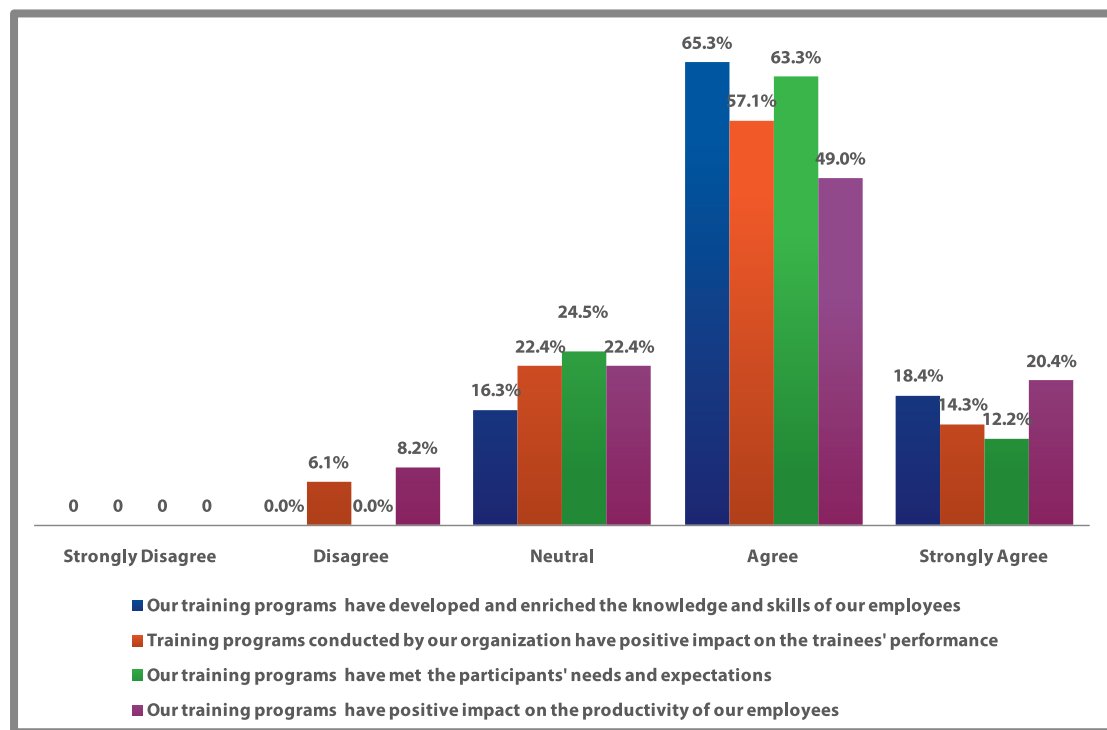
Effective training's impact on organizational performance

The field of human resource management has

continuously studied the role of individual employees in affecting the overall performance of their organization. The concentration on the micro-level of performance allows human resource managers to identify the strengths and weaknesses of their most valuable resources, the employees, and help them to enhance their output, Powell and Snellman (2004). Numerous studies previously confirmed that the training programs which give the trainees the opportunity to get enough constructive feedback and have their performance evaluated tend to garner more positive results.

Wexley (1984) made an important remark regarding the link between effective training and organizational performance when he stated that "research is needed to develop a better understanding of how inefficient organizational

Figure 2: Positive outcomes of effective training on employees' performance



units should be pinpointed and, when they are, how to determine whether training is the optimum solution to the performance problem" (p. 521). This indicates the importance of developing new tools to identify ineffective units in an organization and whether or not their ineffectiveness can be solved by implementing strategic and well designed and targeted training programs. The ineffectiveness of certain units can be attributed to a variety of reasons; for instance, their skills no longer match the new requirements of the organization, or the selection process did not successfully assess their

potential contribution to the organization.

The positive influence of effective training on organizational performance is clearly indicated in Figure 3 below. A total of 89.8% of respondents affirmed that their organizational performance improved substantially due to the effectiveness of its workforce. Equipping the public sector employees with the necessary skills and knowledge, along with helping them identify their weaknesses and strengths, has reflected positively on their performance. Also, around 77% of Human

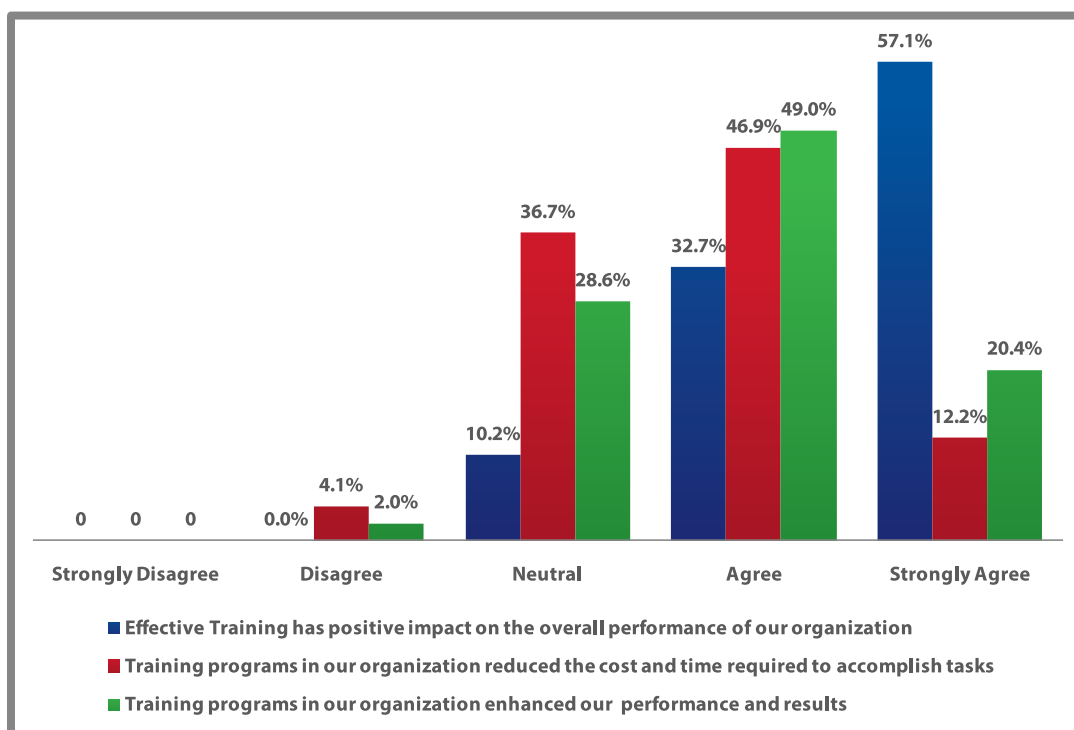
Resources and training directors participating in the survey demonstrated that their organizational output and their employees' productivity, have gradually improved due to the influence of effective training programs.

Another indication of enhanced performance is the time required to accomplish tasks. According to the survey results, 62.1% of respondents agreed that it took their employees less time than before to accomplish the same tasks. This is aligned with the findings of major studies in Human Resources training, providing ample evidence that if organizations consider training programs as an investment and not a cost, and bring experts in the field to coach and update the knowledge and capacities of their employees, it will most likely reflect on the employees' work product. They have

learnt to rely on the most efficient practices, avoid redundancies and value quality over quantity in their work. Therefore, they end up saving the organization the costs of operations and, more importantly, the time required to finish certain assignments. Campbell's study (1988) proves that individual behavior within an organization is something that can be improved if the right training program is provided and any shortfalls are properly identified and addressed.

A recent study was conducted by Sahinidis et al. (2008) to see what factors affect training effectiveness and organizational performance. This study covered around 134 employees and evaluated the impact of training on their performance. The results of the study indicated that there was a strong correlation between their

Figure 3: Effective training and organizational performance

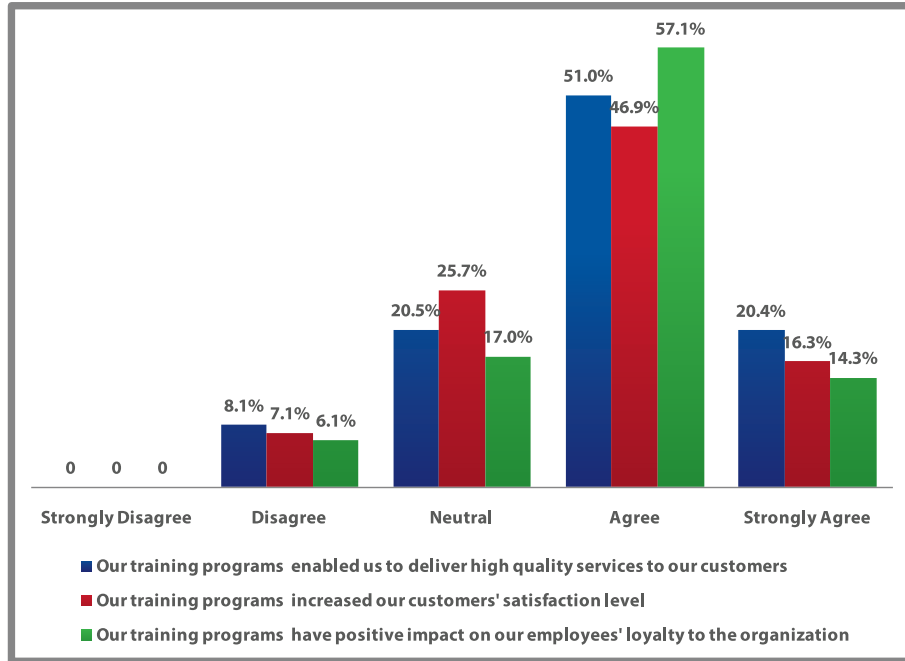


training effectiveness, their job commitment, satisfaction and motivation.

Owens (2006) establishes a coherent relationship between training and organizational outcomes. He states that training is considered a "vital function" for all organizations regardless of their specialization or size. In his paper, he investigates the relationship and the impact of training programs on various variables, such as job satisfaction, organizational commitment, organizational justice, and turnover. The statistical analysis performed confirms that

there is a strong, positive relationship between effective training and organizational success. Training also affected organizational justice since employees were trained on how to respect the rights of their fellow colleagues and to appreciate them. The contribution of his study to the available literature is significant since, unlike other studies, Owens (2006) demonstrates how training can affect employees' job satisfaction, organizational commitment, turnover rates and organizational justice which all showed a positive correlation with organizational performance.

Figure 4: Benefits of effective training on the overall performance of public organizations



The impact of training on organizational performance	Proposed ways to enhance the impact of training effectiveness on organizational performance
<ul style="list-style-type: none"> The impact is multi-level: 1) organizational level: achieved better customer service. 2) Departmental level: achieved the strategic goals and targets. 3) Individual level: improved performance and higher organizational loyalty. Introduction of innovative problem solving skills. Implementation of new financial management and control techniques resulted in more efficiency. Enhanced employees' satisfaction levels. Provision of better services and higher customer satisfaction. Leadership training programs improved the leadership skills of most government employees. Employees take less time to perform their duties. Winning the "Government Excellence Award". Fewer errors and mistakes. 	<ul style="list-style-type: none"> Encourage the creation of a working environment where employees share what they learn and pass it on to their colleagues. Organizing, at a minimum, quarterly meetings where Human Resources/ training directors from all government entities discuss and exchange their training strategies and practices. Reduce governmental bureaucracies and inter-government conflicts. The promotion of knowledge, transfer skills, and tools. Creating knowledge management programs that will allow the employees to share what they learned and how it benefited their performance. Improve team building and working. Create smoother internal business processes. Teach employees how to do more with less, and engage them in new responsibilities and tasks. More focus on training UAE nationals.

The results of Figure 4 confirm the findings of the literature review and the experiences of other organizations. The effective training programs conducted or funded by government entities have improved the quality of services delivered to the public according to 71.4% of respondents.

Moreover, more than 50% stated that customer satisfaction improved due to the direct impact of training programs on their employees' behavior. This was measured by face to face interviews between H.R/training directors and employees. Employees' loyalty to the organization has also

increased substantially as they feel that their organization appreciated their efforts by funding training programs that help them improve their performance, and increase their knowledge-base.

The interviews conducted with government officials from 17 government entities demonstrated that the impact of effective training on their organizations has been substantial. It affected their performance in multi-level dimensions that varied from organizational to departmental, and then to individual levels. Employees learned new techniques on how to deliver their work product more effectively and efficiently, as well as how to solve the challenges they encounter at work in innovative ways. Moreover, learning from best practices and benchmarking their performance with other organizations improved their personal skills and enhanced the quality of their output.

Conclusion and Recommendations

As this policy brief demonstrated, the government of Dubai has invested in training as a vehicle for excellence and efficiency in service delivery within the public sector. The effectiveness of training and its positive impact on organizational performance in the government of Dubai is the result of the central government's commitment to reach its strategic objectives in making Dubai a financial and economic hub of the MENA region. This research has identified some areas where the government entities could focus on to enhance the quality of training and advance organizational performance.

1. It is very important to revive the role of the Dubai Institute for Human Resources Development and ensure that it provides high quality training for Dubai's government employees. This institution plays a critical role in responding to the training needs of the government entities in Dubai and ensuring that adequate low cost, high quality training is achieved.
2. At the local government level, the role of the heads of departments and entities is essential for the success of the training programs. They should participate in the formation of the training strategy and ensure that they develop a strategy that responds to the needs of their employees. They should directly interact with the human resource department and discuss the various training needs of their departments.
3. Continuous evaluation of training programs is important to measure its influence on employees' behavior within the organization. It is preferred that the evaluation is conducted by external auditors to ensure higher quality and more credibility in the results of the evaluation.
4. Training departments should strive to create an organizational culture that supports and endorses knowledge-sharing. This could be encouraged by organizing weekly or even monthly meetings where Human Resources/ training directors meet with their employees to share their experiences in solving problems and the challenges they face in their daily activities. The solutions they adopt to solve these challenges should be documented and shared with other employees.
5. Foster an environment that supports team work and eliminates hierarchical hindrances between employees. This will create an environment that appreciates innovation, hard work, and accomplishment rather than the seniority or rank of employees.

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