THE IMPACT OF ON-THE-JOB TRAINING ON EMPLOYEES JOB PERFORMANCE IN THE BEER INDUSTRY (A Case Study of Kenya Breweries Limited)

BY

WANGUI A. KARIUKI

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AUGUST 2005

Kariuki Wangui A.
The impact of on the job training on
DECLARATION.

This project is my original work and has not been presented in any other University or for any other award.

Signature ___________________ Date ________________

Wangui A. Kariuki.
D53/5896/03

SUPERVISORS APPROVAL.

This work has been presented to me for examination as the university supervisor.

Signature ___________________ Date ________________

DR. G. Gongera
Lecturer Department of Business Administration.

SUPERVISORS APPROVAL.

This work has been presented to me for examination as the university supervisor.

Signature ___________________ Date ________________

MS. Judith Oluoch
Lecturer Department of Business Administration

CHAIRMAN’S APPROVAL

This work has been presented to me for examination as the university Chairman.

Signature ___________________ Date ________________

Dr. Gongera
Chairman
Department of Business Administration
Kenyatta University
DEDICATION

This work is dedicated to my parents, Mr. J. Kariuki and Mrs. Lucy Kariuki for their support in my academic endeavor and for all their financial, moral and emotional support.
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Special thanks to my parents, Mr. & Mrs. Kariuki, for their love, care, support and encouragement in my academic endeavors and for instilling in me a sense of hard work. I am gratefully indebted.

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May God bless you all indeed.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Content</th>
<th>page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declaration</td>
<td>ii</td>
</tr>
<tr>
<td>Dedication</td>
<td>iii</td>
</tr>
<tr>
<td>Acknowledgment</td>
<td>iv</td>
</tr>
<tr>
<td>Table of contents</td>
<td>v</td>
</tr>
<tr>
<td>Abstract</td>
<td>VIII</td>
</tr>
<tr>
<td>Abbreviations and definition of terms</td>
<td>ix</td>
</tr>
</tbody>
</table>

## Chapter one: introduction

1.0 Background of the study ................................................................ 1  
1.1 An overview of EABL ................................................................ 4  
1.2 Statement of the problem .................................................... 5  
1.3 Objectives of the study ....................................................... 6  
1.4 Research questions .................................................................. 7  
1.5 Significance of the study .................................................... 7  
1.6 Scope of the study ................................................................... 7  
1.7 Limitations of the study ....................................................... 8

## Chapter two: literature review

2.0 Introduction .............................................................................. 9  
2.1 The concept of Training .......................................................... 9  
2.1.2 Other definitions of training ................................................ 10  
2.2 Training philosophy .................................................................. 11  
2.3 Identification of training needs ............................................ 12  
2.4 OJT .......................................................................................... 15  
2.5 Training Methods ................................................................. 16  
2.6 Evaluating Training programs ................................................ 20  
2.7 Empirical studies ..................................................................... 23  
2.8 Conceptual framework ........................................................... 24

## Chapter three: methodology

3.0 Introduction .............................................................................. 26  
3.1 Research design ....................................................................... 26  
3.2 Target population ..................................................................... 26  
3.3 Sampling Techniques ............................................................. 27  
3.4 Data collection ........................................................................ 28  
3.5 Data analysis .......................................................................... 29
## List of tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 4.1.1</td>
<td>Response rates</td>
<td>31</td>
</tr>
<tr>
<td>Table 4.1.2</td>
<td>Job titles of respondents</td>
<td>32</td>
</tr>
<tr>
<td>Table 4.2.2</td>
<td>Custodian of the training policy</td>
<td>33</td>
</tr>
<tr>
<td>Table 4.3.1</td>
<td>Responsibility of training needs analysis</td>
<td>34</td>
</tr>
<tr>
<td>Table 4.3.2</td>
<td>Responsibility of the training needs analysis</td>
<td>35</td>
</tr>
<tr>
<td>Table 4.4.1</td>
<td>OJT methods used in the organizations</td>
<td>36</td>
</tr>
<tr>
<td>Table 4.5.1</td>
<td>Responsibility of conducting OJT</td>
<td>38</td>
</tr>
<tr>
<td>Table 4.5.2</td>
<td>Frequency of conducting OJT</td>
<td>38</td>
</tr>
<tr>
<td>Table 4.6.1</td>
<td>Methods used in evaluating OJT</td>
<td>40</td>
</tr>
<tr>
<td>Table 4.7.1</td>
<td>Ways in which OJT affects performance</td>
<td>41</td>
</tr>
</tbody>
</table>
ABSTRACT

In the rapidly changing knowledge economy, workers must constantly acquire new skills. The efficiency of organizations in these economies depends directly on how well its members are trained. Immediately after induction and usually combined with it is the function of developing the employee's ability to do the job on which has been placed on them. Training is seen as the process by which organizations build the skills and abilities of employees.

Most skill acquisition takes place during employment, through informal on-the-job training or through formal training either in the workplace or at an external training institution.

This study aimed at assessing the impact of on-the-job training on employee's job performance in the manufacturing sector. The study will draw lessons from KBL a successful organization in the manufacturing sector.

Chapter one summarizes the background information of on-the-job training and also gives an overview of KBL where respondents of the study will be drawn from.

Chapter two is a summary of literature review from secondary sources giving an outline of on-the-job training.

Chapter three is a summary of the methodology on how the researcher intends to collect data, analyze and present findings of the study. Data in this case will be collected by use of questionnaires administered to a sampled number of employees and heads of department of KBL.

The findings were then interpreted and recommendations made.

Chapter four covers the findings of the study, which presents the impact of on-the-job training on employee's job performance. The data was then analyzed using statistical packages for social sciences (S.P.S.S).

Chapter five covered the conclusions, recommendations and suggestions for further study.
ABBREVIATIONS AND DEFINITION OF TERMS

ABBREVIATIONS

OJT  On-the-job Training
EABL  East African Breweries Limited
KBL  Kenya breweries limited
HRM  Human resource management

DEFINITION OF TERMS.

On-the-job Training  training that takes place on the worksite.
Training  Process by which organizations build skills and abilities of employees.
Skill  Competency in performing a task
Knowledge  what an employee needs to know
Performance  records of outcome achieved
Evaluation  process of collecting information and determining training effectiveness.
Employee's  human resources or people employed by an organization.
Policy  A guideline on how things should be done.
CHAPTER ONE
INTRODUCTION

1.0 Background of the study

Human resources are the most dynamic of all the organization's resources. They need considerable attention from the organization's management if they are to realize their full potential at their work, (Cole 2001).

Two factors are generally considered to be the prime determinants of the quality of a workforce. One is labour productivity or the value of goods and services produced by a worker. The second is the flexibility of the workforce, or ability of the workers to move across sectors of the economy and between industries as the structure of the economy changes. These factors are increasingly significant to countries seeking to expand their economies and improve the welfare of their citizens in a highly competitive and rapidly changing economy, (Rainbird 2000).

The higher a country's labour productivity and more flexible its workforce the better able that country is to acquire and adapt the technology needed to produce better quality goods and services at lower costs and the shift of the structure of production to new markets and products. Productivity depends on many factors among them the level of capital investment, the technology of production and the quality of the firm's management. But it also depends on skills of workers at all levels, from senior management to semiskilled operatives, (Decenzo 2001).

By and large when individuals decide to acquire some training, they do so in the expectation that it will help them improve their incomes, by enabling them either to enter employment or to move into higher-paying jobs in their current firms or with other
employers. Employers on the other hand invest in the skills of their employees to improve their productivity and hence profitability of the firm. The cost of training may be higher than that of academic education, but it may be justified when the value of increased earnings (for individuals) and productivity (for employees) exceed the cost of training.

Hyman (1995) claims that training is not a luxury but a necessity if companies are to participate in the global market place by offering high products and services. A company has no choice to train or not to train; the choice lies in choosing the most effective method of training.

In both industrialised and developing countries most middle-level skills are acquired through work experience and training during employment financed by enterprise and workers. In Kenya much employee training especially in manufacturing sector is restricted to informal OJT, in the skills needed existing production technologies. OJT is an important means of skills acquisition and conducted from time to time depending on production needs of an organization. OJT can vary from a very elementary training lasting only a few hours to detailed training lasting up to three years. Detailed OJT lasting several months is costly to the employer but important in improving the quality of workforce. OJT with narrow scope and of elementary nature offers the trainee little chance of using the same skill elsewhere. OJT can be an important means of skill and technology transfer, however in some cases the training may make little contributions to improvement in an employees skills, (Mireri 2000).
Because Companies have closer links with the market and are in a better position to judge which skills should have been developed, they have important role to play in the provision of education and training. Company-based training can be most efficient and effective way to develop the skills of the workforce. It requires a short gestation period and can be achieved at a lower cost, with the trained workers being placed directly in the job that use their skills. In-house training provides employees with the applied and often advanced knowledge and know-how required to do a job. Employers are increasingly aware of the needs for continuous training. This need stems from rapid changes in technology and hence the skills to operate it. It is estimated that technical knowledge depreciates 10-15 per cent per year if there is no additional training, (UNIDO 2001).

Kenya has a large manufacturing sector serving both the local market and exports to the East African region. The sector is dominated by subsidiaries of multi-national corporations, which contributed approximately 13% of the Gross Domestic Product (GDP) in 2001. The main components of the manufacturing sector include food processing, chemical, beverages, tobacco, textile, paper, metal and electronics. In geographic spread the industries are concentrated in the main urban centres of Nairobi, Mombassa, Nakuru, Eldoret and Kisumu, (Institute Economic Affairs 2001).

Manufacturing is the only sector of the economy that appears to be able to act as a catalyst of economic development and modernizations. Kenya must industrialize efficiently in order to achieve growth and competitiveness. This will only be possible by regularly updating their employee's skills, (Lall and Wangwe 1998).
1.1. An overview of EABL.

EABL was started in 1914 at the time when there was no formal local brew in Kenya. After the First World War brothers George and Charles came and bought land in Kitale and formed what was later known as EABL. EABL is East Africa’s premium beverage group dedicated to delivering world-class beer to the market. EABL is the largest brewing group in East Africa with an annual turnover of Ksh 26 Billion and has the largest share of beer industry in the region. The group employs 1096 full-time employees and 84 part-time employees across Kenya, Uganda and Tanzania, (Corporate Citizenship Report 2004)

The company financial performance continues to grow from strength to strength. It is the second largest company by capitalization on Nairobi stock Exchange. It is also noteworthy that the East African business community continued to view the company positively resulting in rating for the fifth successive year as “The Most Respected Company in East Africa.” through a survey conducted by pricewaterhouse coopers and Nation Media Group, (EABL annual Report 2003).

The remarkable achievement is a direct result of the company’s effort to continually deliver consistent performance and innovations to meet their customer’s needs. The company also believes that their employees are the most valuable resource. The group runs many courses and workshops on healthy and safety, project management, leadership, problem solving and new market initiatives for its employees aimed at being a world class manufacturing Company, (EABL Annual Report 2001).

EABL with the assistance of Guiness has made great advances in staff development and in leading the way in proving new initiatives in training.
The Company want to ensure that their employees are well equipped with the most up-to-date skills so that they can face the ever-increasing challenges in the workplace, (EABL Annual Report 2003).

The training methods employed in the organization include, OJT and off-the job training. OJT can take place in any of the branches in the East African region and in recent years they have established a staff secondment program with Guinness and Diageo as a result of which some employees are working oversees in associated Companies. The Company outsource most of this training and the rest is conducted by Business Development Centre, (Corporate Citizen Report 2004).

By training all members of their staff, the company is achieving improved communication, improved efficiency, and a reduction in cost and greater respect for all employees.

1.2 Statement of the problem.

The importance of skill acquisition is widely recognized, but there is a considerably less agreement on whether training should be provided before or after employment and on the extent to which it should be financed from public revenue and provided by government-sponsored institutions. These issues are of considerable importance to all countries.

They are especially pressing in developing nations that face two enormous challenges: improving productivity under severe resource constraints and responding to competing demands for public education and training resources not the least of which is improving access to quality education.
The apparent decline of education in Kenya has affected the training systems. Vocational training does not meet individual needs. Although technical colleges exist they tend to be poorly equipped and staffed. Industry generally recruits people with basic formal education and upgrades their skills with in-house training.

Such training is mainly concentrated in large enterprises and is aimed at providing basic operational skills rather than developing technological capability to make people more employable, (Institute of Economic Affairs 2001).

The study seeks to find out the impact of on-the-job training on employee’s job performance by drawing lessons from successful Companies in the beverage Companies such as EABL with special reference to KBL a subsidiary and Headquarters.

1.3 Objectives of the Study

The study was undertaken with the aim of fulfilling the following objectives;

**General objective.**

To investigate the impact of on-the-job training on employees job performance.

**Specific objectives**

1. To identify the OJT methods used in organisations found to have the greatest impact on employee’s job performance.

2. To assess how training outcomes are evaluated in organisations.

3. To find out whether there is a positive relationship between OJT and employees job Performance.
1.4 Research Questions

1. What OJT methods are used in organisations?

2. How do you evaluate training outcomes in organisations?

3. Is there a positive relationship between on-the job training and employees job performance?

1.5 Significance of the study

The study will be of importance to:

The government of Kenya and other policy makers in creating policies aimed at monitoring skills gaps with close interaction between education and industry to assess and improve training practices.

The employees and management of KBL, as the study will utilize the findings as a basis for improving on-the-job training with an aim of maintaining high level of employee’s job performance.

Other researchers who will use this work for reference and develop this field further with changing times.

1.6 Scope of the study

The study aimed at examining the impact of on-the-job training on employee’s job performance in manufacturing sector.

KBL was identified as the boundary within which the study was conducted because it is within Nairobi area where the research was being carried out. A sample of 87 employees was used as a representative of the entire population in the beer industry.
1.7 limitations of the study

The following factors limited the scope of the study;

- The time factor for conducting the study will be a limitation since the study has to be conducted within a specified period of time.

- Financial constraints since the researcher was self sponsored and could not make it to carry out a research in all branches of EABL.

- Since information used in the study was voluntary, some employees and managers of KBL failed to give incomplete information or refused to respond at all.
CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

In this section, literature review was examined in line with the objectives of the study. A general approach was taken in regard to training philosophy, identification of training needs, and evaluating training needs. Though the main focus was on OJT.

2.1 The concept of Training

Training is in accordance to one of the basic principles of human resources management that it is necessary to invest in people in order to develop their intellectual capacity required by the organization and thus increases its stock of knowledge and skills. As stated by (Ehrenberg and Smith 1994), human capital theory indicates that: The Knowledge and skills a worker has which comes from education and training, including training experience generates productive capital.

Hinrichs (1996) defines training as:’ Any organizationally initiated organizational procedure which are intended to foster learning among the organization effectiveness’.

The key concepts are:

- ‘Organizational procedure’, which put the processes into an organization context.
- ‘Foster Learning’, which implies that the responsibility is shared between the organization offering it and its members receiving it.
- The criterion of success is ‘organizational effectiveness’.

The synthesis of the core concepts from the above definitions and other like them can be summarized in the following statements:
1. Training should be a systematic process with some planning and control rather than random learning from experience.

2. It should be concerned with changing concepts, skills or attitudes of people treated both as individuals and as groups.

3. It is intended to improve performance in both the present and following job and through this should enhance effectiveness of the part of the organization where the individual or groups work.

2.1.2 Other Definitions of training.

Training is the formal and systematic modification of behaviours through learning, which occurs as a result of education, instruction, development, and planned experience, (Armstrong 2003).

Decenzos (2001) defines training as a learning experience in that it seeks a relatively permanent change in an individual that will improve his or her ability to perform. It involves the changing of skills, attitudes or social behaviour.

According to (Noe 2002), Training refers to a planned effort by a company to facilitate employees' learning of job-related competencies. These competencies include knowledge, skills or behaviour that are critical for successful job performance. The goal of training is for employees to master the knowledge, skills and behaviours emphasized in training programs and applies them to their day-to-day activities.

It is important to make a distinction between the closely related concepts of learning, education and development, (Armstrong 2003).
1. Learning refers to a process whereby individuals acquire knowledge, skills and attitudes through experience, reflections, study or instructions.

2. Education refers to a process or series of activities, which aim at enabling an individual to assimilate and develop knowledge, skills, values and understanding gaps that allow broad range of problems to be analysed and solved clearly.

3. Development is a general enhancement and growth of individual skills and abilities through conscious or unconscious learning process.

2.1.3 Objectives of Training

The particular objectives of training are to:

- Develop the skills and competence of employees and improve their performance;
- Help people to grow within the organization in order, that, as far as possible, its future needs for human resources can be met from within;
- Reduce the learning time for employees starting in new jobs on appointment, transfer or promotion, and ensure that they become fully competent as quickly and economically as possible.

2.2 Training philosophy

In Kenya training needs are often overlooked to the detriment for both the employer and the employee. The reason for training or not training will depend on the companies training philosophy stated in the training policy. A Training philosophy expresses the degree of importance a company attaches to the training. The following are the main common training philosophy adopted by many organizations:
System approach in which companies believe that employees will find what to do for them in regard to training needs. If these companies suffer from a skill shortage it is remedied by recruiting from outside. These organizations are prepared to pay the top market rates for skilled staff, and what they put into recruitment, selection is high compared to the benefits they do not put into training, (Cole 2001).

The second group of firms pays lip service to training and indiscriminately allocates money to training in good times but in bad times, they cut their training budget.

The last group has a positive training philosophy and understands that they live in a world where competitive advantage is achieved by having high quality employees than other companies. These needs will not be satisfied unless they invest in developing the skills and competencies of their employees. In hard times these firms persuade themselves that training is an investment that will pay off. They also understand that it may be difficult to calculate returns on investment but they believe tangible benefits of training will be more than justifying the cost, (Armstrong 2003).

2.3 Identification of training needs

A company that has a positive training philosophy will have to undertake training needs analysis. Training need is a shortfall in terms of employees’ knowledge, skills, and attitudes against which is required by the job, or the demands of organizational change (Cole 2001).

The accurate identification of training needs of an organization is crucial to its success and development. The most influential text on training needs analysis is that of McGhee and Thayer (1961).
They argue that training needs analysis require more than 'armchair celebration' and suggest analysis of three levels, the organization, the job and personal analysis. McGhee and Thayer argue that these three levels should be interrelated so that they build on each other to produce a complex need of statement.

- Analysis at the organization level is used to determine where training can and should be used. The focus is total enterprise and the analysis will look among other things, at the organizational objectives, short-term business plans, longer-time views how the environment might change in the next few years, the pool of skills presently available, indices of effectiveness and benchmarking against competitors, (Bramley 1996).

- Analysis of the job level involves collecting data about a particular job or group of jobs. The analysis will determine what standards are required and what knowledge; skills and attitudes are needed in order to achieve these standards.

- Personal analysis helps to identify who needs training. It involves;
  1. Determining whether performance deficiencies result from a lack of knowledge, skill or ability (a training issue) or from a motivational or work design problem.
  2. Identifying who needs training and,
  3. Determining employees' readiness for training. In practice, organization, personal analysis is usually not conducted in any specific order. However, because organizational analysis is concerned with identifying whether training fits with the company strategic objectives and whether the companies want to devote time and money training it is usually conducted first.
Personnel analysis and task analysis is often conducted at the same time because it is often difficult to determine whether performance deficiencies are a training problem with undertaking the tasks and the environment, (Noe 2002).

McGhee and Thayer recommend a number of sources of data to support the analysis of needs at all levels. They include:

- Organization goals and objectives will provide targets for the various functions within the organization. Some of these will imply change in performance standards and they have training implications.

- The manpower plan will predict gaps caused by retirements, promotions and turnover. This provides a demographic basis for identifying training required to fill the gaps.

- Organization indices like turnover, absenteeism, short-term sickness, attitude surveys, grievances and strikes will indicate training needs as well as altering some aspect of the situation.

- When new systems or new types of equipment are introduced.

- Performance standards especially where there is a wide gap between current performance and expected performance.

- Performance appraisals, which identifies the strengths and weakness and areas for improvement as well as strengths.

Training needs assessment helps to determine whether the company will purchase training from a vendor or consultants or develop training using internal sources.
2.4. OJT

The most widely used training method takes place on the job. OJT refers to new or inexperienced employee learning through observing peers or managers performing the job and trying to imitate their behaviour.

Noe (2002) defines OJT as training that is planned and structured and takes place mainly at the normal workstations of the trainee although some instructions maybe provided in a special training area on site and where a manager, supervisor, trainer or peer colleague spends significant time with a trainer to teach a set of skills that have been specified in advance. It also includes a period of instructions where there may be little or no useful outputs in terms of productivity.

Advantages of OJT.

- Training an employee in their own working environment, with equipment they are familiar with and people they know can help they gain direct experience to a standard approved by the employer.

- Managers or supervisors can assess improvement and progress over a period of time and this makes it easier to identify a problem intervene and resolve problems quickly.

- On the job training is also productive, as the employee is still working as they are learn.

- As training progresses and the employee begins to feel more confident, this confidence would allow them to work at a higher standard and ultimately be more productive.
Disadvantages of OJT

- Teaching or coaching is a specialist skill in itself; unless the trainer has the skills and knowledge to train, this would mean that the training will not be done to a sufficient standard.

- The trainer may not be given the time to spend with the employee to teach them properly, which would mean substandard training has been achieved and learning has only been half done.

- The trainers may possess’ bad habits and pass them on to the trainee.

- Valuable equipment may be damaged.

2.5 Training Methods

A careful use of training methods can be a cost-effective investment in the sense of using the appropriate method for the needs of a person or a group. For the purpose of this study the focus is on OJT methods.

Apprenticeship

Apprenticeship is a work-study method with both OJT and classroom training. Apprenticeship can be sponsored by the individual companies or by group of companies cooperating with a union. The majority of apprenticeship programs are in the skilled trades such as plumbing, carpentry, electrical works and bricklaying.

Apprenticeship involves assisting a certified tradesperson (a journeyman) at the worksite. The OJT portion of apprenticeship follows the guideline for effective OJT. Modeling, practice, feedback and evaluation are involved. First, the employer verifies that the trainee has the required knowledge of the operation process.
Next, the trainer, (who is usually a more experienced, licenses employee) demonstrate each step of the process, emphasizing safety issues and key steps.

A major advantage of the program is that learners can earn pay while they learn. This is important because the program can last several years.

The drawback of the program is that minorities and women’s access to those programs has been limited. Due to changing nature of jobs (thanks to new technology and use of cross-functional teams), many employers may be reluctant to employ workers from apprenticeship programs. Employers may believe that because apprentices are narrowly trained in one occupation or with one company, program graduates may have only company-specific skills and may be unable to acquire new skills or adapt their skills to change in the workplace.

**Demonstration**

It is the technique of telling or showing trainees how to do a job and then allowing them to get on with it. It is the mostly commonly used and abused training method. It is direct and the trainee is actively engaged. Reinforcement or feedback can be good, if the supervisor, trainee or colleague (that well known character, Nellie, by whom the trainee sits) does it properly by defining what results have been achieved and how they can be improved.

But demonstration in its typically crude form does not provide a structured learning system where trainees understand the sequence of training they are following and can precede by deliberate steps along the learning curves, (Armstrong 2003).
Coaching

Coaching is a person to-person technique designed to develop individual skills, knowledge and attitudes. Coaching is the most effective if it can take place informally as part of the normal process of management or team leadership.

The advantage is increased motivation for trainee and minimization of the problem of transfer of learning from theory to practice.

The danger in this method lies in the possible neglect of coaching by supervisor.

Mentoring

Mentoring is the process of using specially selected and trained individuals to provide guidance and advice, which will help to develop the careers of the protégés, allocated to them. Mentoring is aimed at complementing OJT, which must always be the best way of acquiring the particular skills and knowledge the jobholder needs. Mentoring also complements formal training by providing those who benefit from it with individual guidance from experienced managers who are 'wise' in the ways of the organization, (Armstrong 2003).

Mentoring is useful in the succession planning, but its success is dependent on the quality of the relationship and on the seniors tutoring abilities.

A major disadvantage of mentoring is that it can be time consuming for senior managers. It is important that mentors are themselves given training as the role is particularly demanding and complicated requiring excellent interpersonal skills. There is also the issue of finding appropriate mentors for women managers given their under
representation in senior management and possible differences in management styles between women and men managers.

**Job rotation**

Job rotation aims at broadening experience by moving people from job to job or department to department. It can be inefficient and frustrating method of acquiring additional knowledge and skills unless it is carefully planned or controlled.

Recruits into management training programs have often passed through a brief phase of job rotation before moving into a specific function such as human resource management, marketing or production. This is now being extended to many organizations as the value of flexibility is realized. This is a strong feature of the Japanese style of OJT management development. Such approach may involve transfer, job rotation, inside or outside the organization.

Trainees in locations where no one knows what to do with them mainly attribute criticism on the method to wastage of time.

The term 'planned sequence of experience' is preferred to 'job rotation' to emphasize that the experience should be programmed to satisfy a learning specification for acquiring knowledge and skills in different departments and occupations. Success in using this method depends on designing a programme, which sets down what trainees are expected to learn in each department or in which they gain experience, (Armstrong 2003).

There must be a suitable person available to see that trainees are given the right experience or opportunity to learn, and arrangements must be made to check progress.
**Self-directed learning**

Self-directed learning involves having employees that take responsibility for all aspects of learning when it is conducted and who will be involved. Trainees master predetermined training content at his or her own pace without any instructor. Trainees may serve as facilitators. That is, trainees are available to evaluate learning or answer questions for the trainee. The trainee does control or disseminate instruction. The trainee controls the learning process.

The advantage of this method is that it allows trainees to learn at their own pace and receive feedback about the learning performance. For the company, self directed learning requires fewer trainees, reduces costs associated with travel and meeting rooms and makes multiple-site training more realistic. Self directed learning provides consistent training content that captures the knowledge of experts and also for shift employees to gain access to training materials.

A major disadvantage of self-directed learning is that trainees must be willing and comfortable learning on their own. That is trainees must be motivated to learn.

### 2.6 Evaluating training programs

Training and development activities are not ends in themselves. Unless our activities result in some positive changes in the performance of our organization, they have no relevant value. Therefore, we should evaluate actions that result from our training if we are to know whether it was worthwhile or not, (Bramley 1996).
The following points justify why training should be evaluated:

- To identify the program's strengths and weaknesses. This includes determining if the program is meeting the learning objectives, the quality of the learning environment, and if transfer of training to the job is occurring.
- To gather data to assist in marketing programs through collecting information from participants about whether they would recommend the program to others, why they attended the program, and the level of satisfaction with the program.
- To compare costs and benefits of training versus no training investment (such as work redesign or a better employee selection system).
- To provide feedback to the trainer.
- Provide data for justifying further expenditure.

2.6.1 Methods of evaluating Training programs.

A model for evaluating effectiveness of training was proposed by Hamblin (1974) and described by Reid and Barrington (1997) as consisting of the following five levels of evaluation: (1) evaluating the training, as in post-course questionnaire (2) evaluating the learning in terms of how the trainee now behaves (3) evaluating changes in job performance (4) evaluating changes in behavior change (5) evaluating changes in the wider contribution that the organization now makes.

Bramley (1996) suggests that performance effectiveness can be measured at individual, team and organizational levels, and that change in behaviour, knowledge, skills and attitudes need to be considered. He makes the worthwhile point that evaluation need to be built into developmental activities from the very beginning and not dragged at the end.
Performance based evaluation measures

There are different views as to what performance is. It can be regarded simply as the records of outcomes achieved. Performance also means both results and behaviour. Behaviour emanates from the performer and transforms performance from abstraction to action, (Armstrong 2003).

Decenzo (2001) identifies three main approaches to performance-based evaluation measures as follows:

Post-training performance method: The participant’s performance is measured after attending training program to determine if behavioural changes have been made.

Pre-post training performance method: Each participant is evaluated prior to training and rated on actual job performance. After instruction of which the evaluator has been kept unaware is completed the employee is reevaluated. The increase is attributed to training.

Pre-post training performance with control group method: This is the most sophisticated evaluation method. Two groups are established and evaluated on actual job performance. Members of control group do not undergo training. At the conclusion of training, the two groups are reevaluated. If the training is effective, the experiments groups’ performance will have improved, and its performance will be better than control group.
2.7 Empirical studies

From a study conducted by Gathii (2003) on various methods of skill acquisition in Insurance Companies results indicated that learning on the job is the most preferred method of acquiring skills. 55.5% of sampled employees in the insurance Companies indicated that learning on the job happens the entire time while 44.5% of respondents disagreed. 67% of the respondents also indicated that training improved job performance while 33% felt that training did not in any way affects job performance. From the conclusion of the study it was clear that all the insurance Companies provided OJT to all employees as most were engaged without prior training.

Mugwe (1999) on An Analysis of training needs of personnel working in the media found out that if an organization wants to build a high performing and flexible workforce then you have to train your employees.

All this studies shows that OJT is a very important means of skill acquisition and has a positive relationship with employees job performance
2.8 Conceptual Framework

The conceptual framework describes the relationship between variables in the study with an aim of achieving the objectives of the study. The following diagram represents the variables in the study:

Source: Researcher 2005
Below is an explanation of the variables used in the study:

**Independent variable:** It is a variable that a researcher manipulates in order to determine its effects on another variable and they include;

**Training policy:** it is a guideline on how training should be carried out.

**Training needs analysis:** it involves identifying if training is necessary.

**Methods of training:** It refers to method applicable for training.

**Conducting training:** it refers to who actually provides training.

**Evaluating training:** Refers to process of collecting the outcomes needed to determine if training is effective.

**Dependent variable:** It is a variable that attempts indicate the total influence arising from the effects on independent variable.

**Job performance:** It means behaviour and results arising from the independent variable
CHAPTER THREE
RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the methods used to obtain and analyse the data. The methodology is divided into the following categories; target population, sampling techniques, data collection and data analysis.

3.1 Research Design

The study used a descriptive survey research design. Gay (1981) defines descriptive research as a process of collecting data in order to test hypotheses or answer questions concerning the current status of subjects in the study. This research determines and reports the way things are.

3.2. Target Population

The population of interest comprised of employees of KBL. The population is within Nairobi area. For the purpose of the study the research considered a population of one organization in the beer industry, which was a representative of all other organizations in the industry.

3.3. Sampling Techniques

The research design that was used is that of purposive sampling. This is because the target population had the required information with respect to the objectives of the study.
KBL has nine Departments and out of those Departments the researcher considered five Departments from which job performance could easily be measured as a result of OJT. The departments chosen were: Operations, sales Procurement, Quality control and Information Technology.

The population under study was stratified into five departments in the organization. The population elements were separated on different categories of employees and Heads of Departments. A simple random sampling was used to select a proportion from each stratum to answer the questionnaire. KBL has a population of 650 employees and 20% of the population in each of the five department were selected to answer the questionnaires. (See table below).

A sample of 87 respondents was identified and used to provide required information from the five departments.
### Table 1: Sampling technique

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of employees</th>
<th>Sample size 20% of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>220</td>
<td>44</td>
</tr>
<tr>
<td>Sales</td>
<td>100</td>
<td>20</td>
</tr>
<tr>
<td>Procurement</td>
<td>69</td>
<td>14</td>
</tr>
<tr>
<td>Quality control</td>
<td>25</td>
<td>5</td>
</tr>
<tr>
<td>Information technology</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>433</strong></td>
<td><strong>87</strong></td>
</tr>
</tbody>
</table>

**Source:** Researcher 2005

#### 3.4 Data Collection

The study on the impact of OJT on employee job performance of KBL used questionnaires to obtain primary data from employees and Heads of Department of KBL. The questionnaire consisted of both open and close-ended questions to be answered by employees in each of the five departments and the five heads of departments were also selected to answer the questionnaires for the purpose of consistency. *(See Appendix 1&11).*
selected to answer the questionnaires for the purpose of consistency. (See Appendix 1&11).

A pilot study was conducted before the actual research. The self-administered questionnaire was pre-tested and relevant adjustment and correction made to the question to ensure they are relevant and reliable.

The final questionnaire was then administered randomly to 87 sampled employees and Heads of Department of KBL. The answers were recorded on the questionnaire.

3.6 Data Analysis

The collected data was classified, sorted edited and compiled. The analysis was done with the help of SPSS (Statistical Package for Social Science) in order to present data in descriptive form.