



## **Linking Potential Training Outcomes to Employee Creativity in Retailing: A Systems View**

**Anshu Yadav**

*C.S.J.M. University, Kanpur, India*

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### **Abstract**

Employee training has swiftly assumed paramount importance in organizational studies over past few years. Workforce training and development is about employees' value addition by adding desired skills and knowledge for satisfying their growth needs and for improving their performance at work. Having trained and knowledgeable employees has become crucial in the present business scenario where organizations are expecting their employees to take initiatives, bring innovations and suggest optimum solutions for their current needs. A measure of training effectiveness is the foundation upon which learning and innovation rests and the best way to determine that training has been effective is to fully understand the purpose why the training has been conducted. The paper explored the role that employee training played in the retail industry and analyzed the potential training outcomes. The impact of such training outcomes on the creativity of employees was revealed by using a sample of 242 employees. The current cross-sectional survey reinforces previous literature by application of statistical tools for analyzing the responses of employees working in retail outlets operating in Kanpur city, Uttar Pradesh, India. A systems approach was adopted for understanding the relationship between perceived training outcomes and employee creativity. The outcome of the research reveals a positive link between employee training and employee creativity. The research discusses the implications of the study in the retail industry and provides important insights for managers and policymakers.

**Keywords:** Employee Training, Training Need analysis, Training Outcomes, Employee Creativity

**JEL Classification:** M53

**Paper Classification:** Research Paper

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### **Introduction**

India is an attractive destination for retailers from across the globe and the growth has been phenomenal over the last fifteen years. The changing lifestyle and consumer behavior, increased spending power and disposable income across developing economies has led to the massive development of this industry. The Indian retail sector is expected to reach USD 848 billion from the current USD 435 billion in the next 4-5 years, according to a report by National Skill Development

Corporation (NSDC). The retail sector contributes to 23 per cent of the GDP, which is expected to grow further and hence there will be a considerable rise in demand for skilled manpower in this sector. There will be a need of around 56 million workers in the growing retail sector.

In the field of organized retail some of the popular players are Future Group, Shoppers Stop, Reliance Retail, Spencer's and Mahindra Retail amongst the multi brand retailers. In Single Brand retailing, players like Benetton, Fab India and Bata are popular brands, along with foreign brands like Nike, Reebok, Puma, McDonalds, Subway, Zara etc. These foreign brands operate in different forms like franchisee, joint ventures, license agreement etc. (FICCI, 2014).

Although the retail industry in general has witnessed improved financial performance, issues pertaining employee behavior in retail outlets have been taken for granted. Employee turnover is one of the most pertinent challenges that the organized retailers are facing immensely. One of the important problems identified in this sector, is the lack of trained manpower, due to shortage of training institutions for retail technologies. Many retailers are conducting in-house training programmes for their staff or setting up their own training facilities in India. The retail managers feel that OJT i.e. On-The-Job training is useful in building company culture and hence help in better retention rates (Shabnam & Paul, 2008).

A large number of front-end employees in retail outlets are involved in 75-80% of store operations. Across these retail organizations, 87 per cent of the employees are less than 35 years of age and 46 per cent of the employees are below 25 years. Unfortunately, very few specific courses for the retail sector are available and therefore employees from various streams are hired. Also, retail training opportunities in the core areas like merchandising, supply chain management, though present, are also limited. The condition is even worse in the unorganized sector where the manpower does not even have the basic retail specific and customer service skills, which makes them incompetent.

A collective effort to develop these skills within this sector can have a substantial impact on employee creativity, thereby leading to their improved productivity and competitiveness. Trained employees can help customers to have better retailing experience than they did in the past, whose expectations go beyond just shopping of goods and services. Consumers look for a personalized and unique experience. However, there is a dearth of studies in this particular sector. Hence the focus of this study is to analyze the lack of skills in employees in organized retail outlets, as this is one of the biggest challenges facing this sector.

## **Theoretical Foundation and Hypothesis Formulation**

### **Employee Training**

Training and development in recent years has assumed greater recognition in view of the increased competition and positive outcomes it has produced (McDowall & Saunders, 2010). Employee training has recently emerged as an important tool and concept to deal with the issue of employee creativity, empowerment, organizational commitment and service quality. Training is said to be a planned and systematic activity for bringing changes in knowledge, skills, and attitudes in employees by undergoing a learning experience, leading to effective performance across different functions (Buckley & Caple, 2009). Training has also been said to be a creation of a learning environment for bringing about a long term addition in an individual's knowledge, skills and attitudes (Campbell, Dunnette, Lawler & Weick, 1970).

Japanese management practices over a period of time had clearly shown that business growth and survival were dependent on high standards of performance which could be achieved through

a well-trained and developed workforce (Brown & Read, 1984). Recent research also indicates a causal link between training and creation of high performance work systems (Kate, Cherrie, Brain, Cooper, Yiming & Sijun, 2009). However, an open training system is essential to be responsive to organizational needs. Training must be viewed as a long term, continuous and a systematic process. Training as a subsystem of the organization must interact with the other subsystems of the organization for feedback. The processed feedback can then produce outputs in the form of knowledge, skills and attitudes acquired by trainees.

Effective training or development depends on understanding its requirement for the individual employee, the division and the organization as a whole. Training objectives must be clearly laid down so that the employees know what is expected out of them (Karthik, 2012). To provide cost effective training solutions to organizations in this competitive era, training must be directed towards specific skill gap for optimum return on training investment (Ferdous & Razzak, 2012). The analysis of training needs help ensure that training addresses current problems, is tailored to organizational challenges, and is provided in an effective and cost-efficient manner. Most organizations lay greater emphasis on the delivery of training rather than linking the contents to the performance gaps identified in employees.

Various types of training needs, like, normative, organizational, comparative, felt and demonstrated, have been identified in the literature. Normative needs arise when a new standard is defined by experts and there is a gap between the current practices and the required practices (Lawton, 1999). Organizational needs refer to the needs that are essential to carry out the mission of the organization (McConnell, 2003). Comparative needs refer to the gaps detected between employees when they are mutually compared (Lawton, 1999). Demonstrated needs emanate from the gap between the current skills of an employee and the skills recommended by experts. Felt needs constitute the gap between the skills that employees possess and those they desire to have.

A systematic approach towards investigating training needs, designing, delivering and evaluating training effectiveness can improve the appropriateness of the training outcomes including enhanced creativity of employees. However, research shows that training has been underestimated in most organizations and a systematic training needs analysis has not been done in organizational settings (Clarke, 2003; Ferreira, Abbad, Pagotto, & Meneses, 2009). There is still moderately less academic and practical research available on the assessment of training needs (Kraiger, 2003). In most organizations, where training activities are extensive, training is less dependent on the need of the individual and is more contextual in nature (Asku, 2005). In this scenario, an investigation of specific individual training needs for potential training outcomes can be employed. The above discussion brings up the following hypothesis:

**H1. Access to need based training improves employees' perceived degree of training effectiveness.**

### **Potential Training Outcomes**

The review of studies related to the topic brings forward the relevance of formal training in modern organizations. All over the world, organizations are organizing training and development programmes that complement the development needs of both the employees and the organization (Callahan, 2000). Researchers have emphasized on the need for efficient and effective training for improved productivity (Olaniyan & Ojo, 2008). Training ought to be a continuous process for bringing about a significant change in the growth of individual and organizational performance. Satisfaction with training depends on the perceived training sufficiency and perceived worth of training (Giangreco, Sebastiano & Peccei, 2009).

An effective training program helps to create a flexible organizational structure based on trust and makes the workforce skilled and motivated. Zaccaro & Banks (2004) show the importance of training and development programs for having a vision and for managing resistance to change. Training results in improved job performance and other positive outcomes (Hill & Lent 2006, Satterfield & Hughes 2007) which act as antecedents of job satisfaction (Kraiger 2002). A study conducted by Garcia (2005) in Spanish firms covered the impact of organizations' training policies on four categories of organizational benefits: employee satisfaction, consumer satisfaction, shareholder satisfaction, and employee productivity. Effective training can produce higher productivity, better quality of work, increased motivation and employee commitment, better teamwork, and fewer mistakes, resulting in improved competitive advantage (Salas, Wilson, Priest & Guthrie, 2006). Nadler & Nadler (1998) have made a study of explicit paybacks that an organization receives from training and development of its employees, like increased performance, reduced employee turnover, increased efficiency, financial gains, decreased need for supervision. This study seeks to analyze the impact of need based training on employee retention, morale and change management based on the study by Cole (2002) and suggested the following advantages of training:

1. High morale – trained employees have increased self-confidence and enthusiasm;
2. Lower cost of production – trained personnel make efficient use of material and equipment thereby minimizing and avoiding wastage;
3. Lower turnover – training brings a sense of trust and belongingness at the workplace which reduces labor turnover and absenteeism;
4. Change management – training improves understanding of the change process and also provides the knowledge and skill needed to adjust to new conditions;
5. Recognition- training enhances chances of career advancement.

The following hypothesis is therefore tested:

**H2. Need based training positively influence outcomes like employee retention, morale and change management.**

### **Employee Creativity**

Specific human resource practices which encourage creative behavior must be designed for creating high performance work systems. Creativity is said to be an expression of new and productive ideas by individuals (Shalley & Gilson 2004; Zhang & Bartol, 2010). Organizations need creative employees to initiate organizational innovation in the new era of knowledge-based economy. In the retail sector, frontline service employees frequently face customers with quite diverse needs, are responsible for service delivery which has a large impact on better consumer experience and, eventually on organizational performance, implying that they need to be innovative. The frontline employees also have access to first hand market information which is important for organizational innovation. However, a large number of firms in retailing have not been able to harness the creativity of their employees to make the most of their creative potential. In fact, creativity is the most undervalued factor in retailing and fails to produce a unique shopping experience for most consumers. For promoting creative behavior in the retail staff at various levels, an understanding of factors facilitating its enhancement should be taken due care of.

Although many studies have been carried out to show the relationship between training on one hand and work related outcomes like employee satisfaction, empowerment, employee commitment, employee productivity or performance on the other, few studies have focused

on its relationship with employee creativity and that too in the Indian context. In most modern researches, training employees to do their jobs effectively has been seen to be the most important activity undertaken by managers to improve their competitiveness (Saks & Belcourt, 2006). Gandolfi (2009) explained how liberalization and globalization have changed the scenario of corporate training and holds various challenges. Martínez-Ros & Orfila-Sintes (2012) proposed that training strategies have a positive influence on innovation-related decisions. Preissl (2000) claimed that acquisition of new skills and qualifications are relevant sources of innovations. Wong & Pang (2003) also found training and development programs to be a critical factor in enhancing staff creativity. Training sharpens the thinking ability so as to improve creativity and helps to take better, timely and productive decisions (Banaji, Burn & Buckingham, 2006). A good training programme motivates employees to offer better services (Martínez-Ros & Orfila-Sintes, 2012). It also enables employees to deal effectively with consumers by responding quickly to their complaints (Hollenbeck, DeRue & Guzzo, 2004). Nevertheless, the specific link between training and development practices, on one hand, and employee creativity, on the other was not extensively discussed in the literature, especially in the Indian context, and therefore calls for more research. Identification of this gap motivated in drawing up the following hypothesis:

### **H3. Training is positively related to employee creativity and innovation intensity.**

The study hopes to make a valid contribution to the field of training and development by taking a systems approach. This approach discusses the necessary inputs that can enhance training effectiveness. The study in particular wishes to emphasize on the fact that training needs analysis is not being scientifically done in most organizations, which is responsible for incomplete development of employees and lack of creative potential in them.

#### **Objectives of the Study**

In particular, the objectives of this study are to:

1. Identify the gaps between current and required skills at the individual, group and organizational levels, within the retail sector.
2. Develop strategic training initiatives keeping in mind the future training needs.
3. Analyze potential training outcomes and their impact on employee creativity

#### **Research Methodology**

##### **Sample and Data Collection**

The current study examined the role of employee training in Indian retail industry and analyzed the potential training outcomes. The study focuses on the retail sector as the retail industry is facing particular HR challenges including high employee turnover. This can be attributed to factors such as long working hours, absence of full-time assignments, lower salary and absence of development prospects. Therefore the study addresses the issue of training employees for strengthening employees' role in the store's relationship with its customers. The role of training in creating positive training outcomes to enhance creativity of employees was revealed by using a sample of 242 employees. The universe of the present study covers the service staff and store managers engaged in various functions of these organizations. The current cross sectional survey reinforces previous literature by conducting structural equation modelling to analyze the responses of employees working in retail outlets (Big Bazaar, Pantaloons, Lifestyle, Westside, Reliance Trends & Biba) operating in Kanpur city, Uttar Pradesh, India. The employees were asked to answer questions about their perception of frequency of training programs, value addition from training, need assessment for training, and their level of creativity.

For data collection, the store managers in these outlets were approached and informed about the purpose of study. Every store manager was requested to hand out the questionnaires to their employees in the store. The questionnaires were collected with a net response of 93.07 per cent.

**Table 1: Demographic Profile of respondents under study**

Employee details	Frequency	Percentage
Age		
18-25	106	43.8
26-30	75	30.9
31-35	34	14.1
36-40	27	11.2
Education		
Graduation	161	66.5
Post-graduation	81	33.5
Experience		
Less than 2 years	156	64.5
2-5 years	57	23.6
More than 5 years	29	11.9

### Measures and Variables Used

During the preparation of the questionnaire, various items were identified and adopted from different studies, as per the requirement of this study and the perceptual constructs, namely: employee training, training outcomes and employee creativity were formulated. This study employed questionnaire survey as the main method for primary data collection. The questionnaire contained three sections. The first was designed to capture employees' perception of training and its relevance (9 questions). The questions were related to need assessment, training evaluation, frequency of training programmes, the contents of the training programme, perceived support for training and resources for the training programme, Cronbach's alpha value for this scale was 0.902. The second section, based on the study by Cole (2002), aimed to identify its potential outcomes such as employee retention, morale and change management as perceived by employees (11 questions). The reliability value for this scale was 0.843. The third section sought information about employee creativity. Employee creativity was measured by using 3 items scale which was developed by Oldham & Cummings (1996). The reliability for this scale was .781. The Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree was used. The demographic variables described above were controlled for in this data analyzes.

**Statistical tools used:** Data was coded and entered into MS Excel. The data was analyzed using SPSS 22 and AMOS 16.

### Analytic Approach

#### Measurement Model

A confirmatory factor analysis (CFA) was first carried out in order to keep valid items in the scales. The correlation matrix, means and standard deviations are presented in Table 3. The results depicted a significant correlation between training and employee morale ( $r = 0.375, p < .01$ ), change management, ( $r = 0.525, p < .01$ ), and employee creativity ( $r=0.519, p < .01$ ) but not employee retention ( $r=0.067, NS$ ). To assess the fitness of the proposed model, the following values were seen: goodness-of-fit index (GFI=.969), adjusted goodness-of-fit index (AGFI=.948), root mean square error of approximation (RMSEA=.024), and the normed fit index (NFI=.946). Only those constructs were retained which had factor loadings greater than 0.5. All the factor loadings retained were found to be significant at 0.001 levels, representing a convergent validity, thereby

establishing the fitness of the model. The Average Variance Extracted (AVE) for each of the factors was within limits (Table 2). The minimum acceptable level for the Average Variance Extracted (AVE) is 0.50 (Fornell & Larcker, 1981) and in this study it meets the minimum acceptable level, ranging from 0.523 to 0.816 for all the constructs.

**Table 2: Overall reliability of the constructs and factor loadings of items**

Construct	Items	A. V.E.	MSV	ASV	Cronbach's $\alpha$	Factor loading	Significance
Training	T1	0.816	0.390	0.202	0.902	0.768	***
	T2					0.906	***
	T3					0.734	***
	T4					0.792	***
	T5					0.829	***
	T6					0.847	***
	T7					0.854	***
	T8					0.815	***
	T9					0.750	***
Employee Retention	ER1	0.647	0.132	0.126	0.762	0.861	***
	ER2					0.724	***
	ER3					0.877	***
	ER4					0.850	***
Employee Morale	M1	0.742	0.293	0.247	0.913	0.822	***
	M2					0.842	***
	M3					0.789	***
	M4					0.838	***
Change Management	CM1	0.523	0.412	0.314	0.854	0.843	***
	CM2					0.842	***
	CM3					0.809	***
Employee Creativity	EC1	0.671	0.494	0.211	0.781	0.722	***
	EC2					0.802	***
	EC3					0.731	***

Note: AVE represents average variance extracted; MSV represents maximum shared variance; ASV represents average shared variance.

\*\*\* significant at the 0.001 significance level.

**Table 3: Descriptive Analysis**

N=242	Mean (S. D.)	Correlation				
		1	2	3	4	5
1. Training	3.89 (0.815)	1.000				
2.ER	4.30 (0.854)	0.067	1.000			
3. Morale	3.66 (0.755)	0.375**	0.501**	1.000		
4. CM	3.60 (0.844)	0.525**	0.320**	0.455**	1.000	
5. EC	3.39 (0.892)	0.519**	0.059	0.342**	0.628**	1.000

Note:

ER represents Employee retention

CM represents Change management

EC represents employee creativity.

\*\*Correlation is significant at the 0.01 level (2 tailed).

\*Correlation is significant at the 0.05 level (2 tailed)

**Structural model**

Need based training and its effectiveness as perceived by the respondents has been outlined in Table 4 supporting Hypothesis 1. In the present study, the hypotheses 2 and 3 were tested using Structural Equation Modelling (SEM). SEM is a multivariate technique that combines the features of multiple regressions along with a factor analysis and calculates the strength of several interrelated relationships among independent variables (IDVs) and dependent variables (DVs) concurrently. The Maximum Likelihood (ML) estimation has been used in the study. The fit of the model is satisfactory ( $\chi^2 = 538.442$ ,  $df = 322$ ;  $GFI = 0.920$ ;  $RMSEA = 0.058$ ;  $CFI = 0.93$ ;  $TLI = 0.94$ ;  $IFI = 0.94$ ). A significant relationship was observed between training and the potential outcomes like employee morale and change management (training  $\beta$  morale:  $\beta = 0.141$   $p < 0.001$ ; training  $\beta$  change management:  $\beta = 0.275$   $p < 0.001$ ) but no significant relationship was found between training and employee retention. Thus access to need based training significantly influences training outcomes like employee morale and change management in a positive manner but an insignificant but positive relationship exists between training and employee retention, partly supporting Hypothesis 2. In the study of the direct relationship between employee training and employee creativity, a significant direct relationship was observed ( $\beta = 0.269$   $p < 0.001$ ), supporting Hypothesis 3 (Table 5). Thus need based training influences employee creativity in a positive manner.

**Table- 4: Overall Satisfaction with training**

	N	Mean	S.D.
Training effectiveness	242	3.89	.815

**Table 5: Standardized Regression Weights: (Default model)**

	Estimate	Result
morale <--- training	.141	Significant
retention <--- training	.005	Insignificant
change <--- training	.275	Significant
creativity <--- training	.269	Significant
creativity <--- morale	.117	Significant
creativity <--- retention	.003	Insignificant
creativity <--- change	.394	Significant

### Discussion

This study has focused on the retail industry, which is growing at a fast pace and has a high growth potential in India. Retailing is emerging as a highly competitive sector in the Indian economy. With the entry of big retailers, this industry is providing employment to millions but has failed to create a sound talent base. There is a dearth of skilled and trained professionals in this sector and employee turnover is high. This is why some dynamic companies are increasingly using rewards, incentives and other modes of recognition for employees. Trained and satisfied employees can successfully overcome the stressors of job and remain creative to handle customer grievances. They can then provide better service quality and create customer satisfaction by sufficiently increasing customers' quality of shopping experience. Sometimes relatively small innovations can result in significant outcomes for retail organizations like innovative, devoted and well-organized distribution systems and cohesive supply chain system.

Past researches have relatively less effectively highlighted the subject of training in the retail sector and the role of creativity for making innovations a possibility in this sector. This study hopes to bring to light the necessity for providing professional training to people working in this sector so that highly educated professionals become a part of this industry and continue their career in the same industry in the long run. This study has focused on the necessity of need based training, its effect on outcomes like employee morale, retention and change management and their impact on employee creativity. The findings of this study showed that training has a significant positive impact on employee morale and change management which has a subsequent impact on employee creativity. From the results it can be stated that potential training outcomes like employee morale and effective change management strategies are linked to improvement of creativity in employees. The study emphasizes the relevance of systems approach in the implementation of training initiatives which means that proper identification of training needs in employees, imparting need based training and regular evaluation of training effectiveness will lead to positive training outcomes and help in developing innovation capabilities in employees.

The relevance of innovation and the required creative abilities in employees has always been underestimated in the retail sector. Many employees are taking up the jobs on a part time basis and job hopping is a regular feature in this sector. This means that employees come and go frequently, which is one of the biggest challenges for carrying out training and development exercises. Other challenges like long hours of work, absence of full-time jobs and specific benefits, low pay and lack of growth opportunities are barriers in improving training effectiveness and subsequently in the development of employee creativity.

The findings of the current study indicate that the employees perceived the training setup to lack proper need assessment and training evaluation. Besides, the frequency of training

programmes, the contents and resources for the training programme also seemed insufficient. However, there is sufficient support from managers for training and this in itself is valuable in a society like India, where personal relationships and hierarchical support play an important role in creating employee loyalty.

The second hypothesis was tested to reveal that training had a positive impact on work related outcomes like employee morale and their involvement in change management initiatives. Contrary to expectations no significant relationship was observed between training and employee retention. This might be due to the fact that in the retail sector employees are continuously on the lookout for better job prospects and the skills gained in the training programmes provide them with better job opportunities in this competitive scenario. This might then be manifested in a greater employee turnover.

Employee Creativity was found to be significantly related to employee training supporting hypothesis 3. Need based, quality training programmes directed towards improving cognitive processes in employees, is one of the major antecedents to employee creativity. The increase in the knowledge level is more likely to produce innovative work behavior. Training improves divergent thinking skills and builds a supportive organizational climate characterized by trust between employer and employee. Employees' innovative behavior depends on not only the intellectual capacity, intrinsic motivation and psychological understanding of an individual, but also some kind of stimulation from the external environment, like effective leadership in the organization (Mumford, Scott, Gaddis & Strange, 2002).

### **Managerial Implications**

The findings of this study have significant managerial implications. They provide a direction to the retail companies who wish to enhance their training effectiveness for improving employee morale, reducing turnover and enhancing employee creativity for improving service quality. To achieve this retail companies should consider improving not only the immediate training facilities but also focus on their recruitment practices to involve qualified and professional staff that is interested in building a career in this sector. This will create a professional environment in the organization and will help to improve the morale of employees. High rate of employee turnover that this sector is currently facing brings down the morale of employees left behind who then only focus on holding on to their current job and looking for job prospects outside the organization. These employees can never be creative. The organizations can bring about changes in the working conditions of employees currently to do away with challenges like long working hours, lack of job security, regular benefits, and proper compensation and growth opportunities.

Professional degree programmes in retailing have still not found its takers and these programmes are not the most lucrative ones in different management institutes. Academia-industry interface can help in the generation of retail specific programmes to be run by top educational institutes and thus fill the gap between required and available workforce. This has useful implications for both the industry and the academia.

This study has useful implications for the HR managers who are involved in designing training programmes for the employees. Need based training programmes are not well recognized in this industry and the importance of training evaluation has not been well understood by managers and employees alike. The organization might do this by taking a systems approach towards training. The organization should provide assistance to managers to publicize training importance more widely to their subordinates and create a learning environment.

Retail organizations can be advised to ensure the transfer of training to the work related behavior as this can help employees to improve training outcomes and enhance their creative skills. Most front line workers in retailing in India lack in communication and behavioral skills and such skills can improve their cognitive abilities. In order to encourage innovative behavior in employees, managers should pay more attention to establishing trust between managers and subordinates and designing a proper feedback mechanism for encouraging innovation. The individual employee behavior is influenced by the organizational culture and climate, as the employees will actively innovate if they perceive that they are in a non-discriminatory, friendly, supportive and innovation driven work environment (Wang, Xu & Peng, 2013).

### Limitations & Areas for Future Research

As in most studies, this study also has some limitations which need to be highlighted. Firstly the sample size was considerably small thereby interfering with the data analysis. Therefore the future studies need to focus on examining this relationship in certain other service industries also such as banking industries, etc with a larger sample size. Another limitation involves the generalization of the findings. As the study used data conducted in a retail setting, it may impose certain limitations on the generalizability to other work settings. Finally, it is essential to mention, that each of the constructs used in the study have numerous antecedents and outcomes and most of the times it is difficult to establish a definite cause-effect relationship between different constructs. Because of this, future research should investigate other work related concepts as well, which are closely related to the employee creativity in working settings. Further, mediating and moderating effects of different variables can be evaluated.

### Conclusion

In conclusion, this study examined employee training, employee morale, retention, change management and employee creativity as the research framework and investigated the casual relationships among these variables. The study has tried to discuss the field of employee creativity and its relation to perceived training effectiveness. This study found that employee training positively influences employee morale, change management and employee creativity. While the organizations have been spending large budgets on training in recent times, training outcomes and effectiveness could not be improved because of a lack of a systematic approach towards training. This study proves that need based and result oriented training results in multiple productive outcomes and also helps to build trust between supervisors and subordinates which can then increase the creativity of employees by creating a conducive work environment where employees are inclined towards showing their creative worth for their own and organizational development purposes. It is believed that the findings of this study will inspire researchers to further study the discussed relationship and offer better insights by developing more effective models.

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### *Author's Profile*

**Anshu Yadav** is a doctorate in management from Kumaun University, Nainital, India. She is currently working as Associate Professor in the Institute of Business Management, Chhatrapati Shahuji Maharaj University, Kanpur, Uttar Pradesh, India. She has been actively involved in various academic and research activities in the University and has been nominated on various administrative committees. She has published articles in the area of Human Resource and General Management.

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