

WHAT IMPACT DOES TRAINING HAVE ON EMPLOYEE COMMITMENT AND EMPLOYEE TURNOVER?

SCOTT BRUM
University of Rhode Island

Training is of growing importance to companies seeking to gain an advantage among competitors. There is significant debate among professionals and scholars as to the affect that training has on both employee and organizational goals. One school of thought argues that training leads to an increase in turnover while the other states that training is a tool to that can lead to higher levels of employee retention (Colarelli & Montei, 1996; Becker, 1993). Regardless of where one falls within this debate, most professionals agree that employee training is a complex human resource practice that can significantly impact a company's success.

The training industry as a whole has shown significant growth through the years. Statistics indicate that investment in training is continuing to grow as more and more companies realize its importance. In 1995, \$7.7 billion was spent on the wages and salaries of in-house company trainers and \$2.8 billion was spent on tuition reimbursement (Frazis, Gittleman, Horrigan, Joyce, 1998). The American Society for Training and Development found that in 2004, the average annual training expenditure per employee was \$955, which is an increase of \$135 per employee from the previous year. The number of formal learning hours per employee also rose from 26 hours in 2003, to 32 hours in 2004 (atsd.com, 2005). As the investment in various training programs continue to rise, it becomes even more imperative for employers to understand the impact that training has on their organization.

Training can have a considerable influence on company finances as there are several potential training costs that companies may incur. One type of training related cost is direct cost. This may include instructor salary, materials, and follow-up supervision. A second type of training related cost is indirect cost. These costs are related to worker output and productivity during and upon completion of the training.

Along these lines, once a training program is completed, worker productivity is expected to increase. The benefits will be to the company, due to an increase in worker output and productivity, and to the worker, as the increase in output should translate into higher wages and opportunities for career advancement. In general, a company will weigh the costs and returns to training to determine the amount of investment it will incur (Kaufman & Hotchkiss, 2006).

In addition to the direct and indirect costs described above, turnover plays a significant role in the amount of training investment companies will assume. The greater the chance

of employee turnover, the less likely a company will invest in it. A company loses all of its investment should an employee terminate the relationship upon completion of training. As a result, employers have very important decisions to make in regards to the level of investment they are willing make in training. Training duration, specificity, relevance, payment options, and training location are all things that employers must consider while developing a training program.

Krueger and Rouse (1998) examined the effect that training and workplace education programs can have on various organizations. The study included an analysis of numerous outcome variables that may be achieved through training. Variables relating to performance, wages, productivity, satisfaction, motivation, and absenteeism were all examined. These variables are analogous too many of those that are commonly scrutinized in the training and development literature. This paper seeks to move away from the frequently assumed training outcomes and focus more on the relationship of training and employee

commitment. The effect of this relationship on employee turnover will also be explored. Through an analysis of pertinent literature and research, this paper will seek to better understand and clarify the impact that training has on employee commitment and employee turnover.

The importance of ensuring employee retention following training may lie in the strategic approach that is utilized. Companies can seek to achieve organizational goals through a variety of human resource strategies and approaches. One such approach, a commitment strategy, attempts to develop psychological connections between the company and employee as a means of achieving goals (Arthur, 1994; Scholl, 2003). In an attempt to ensure that the employee remains with the company following training, employers may implement a strategy to training that fosters commitment. Training that attempts to increase employee commitment may serve to counter the numerous direct and indirect costs associated with turnover. Although a commitment strategy can be tied to all company human resource practices; recruitment, selection, performance evaluation, and so on, the focus of this paper will be to determine whether training can lead to an increase in employee commitment and in turn foster employee retention.

COMMITMENT AND EMPLOYEE TURNOVER

A committed employee is one that will remain with the organization. Through the years, numerous research studies have been conducted to determine the accuracy of this statement. In the end many have concluded that committed employees remain with the organization for longer periods of time than those which are less committed.

Richard Steers (1977) hypothesized and found true that the more committed an employee is, the less of a desire they have to terminate from the organization. These “highly committed” employees were found to have a higher intent to remain with the company, a stronger desire to attend work, and a more positive attitude about their employment. Steers (1977: 54) concluded that “commitment was

significantly and inversely related to employee turnover.”

Along these lines, Jeffrey Arthur (1994) conducted an empirical study of two steel “minimills”; one which incorporated a human resource commitment strategy and the other a control strategy. Arthur was able to find many productivity and business advantages to the company that had a commitment strategy. The study found that turnover was twice as high in the company that used a control strategy ($x = .07$, $s.d. = .07$) than it was in the company which fostered a commitment approach ($x = .03$, $s.d = .03$). This exemplifies the impact that human resource strategy can have on an organization. Job search, retention, employee’s desire and intent to leave, and attitude toward the organization can all be improved with a strategy that seeks to enhance employee commitment.

When organizations seek to foster a philosophy of commitment, then the likelihood of an employee searching for employment elsewhere is lowered. In a study of employee mobility, Green, Felsted, Mayhew, and Pack (2000) found that commitment objectives decreased that probability of employees being “more likely to search” from 19 to 10 percent, and increased being in the “less likely to search” category from 15 to 26 percent. Much like the other studies identified above, this study shows that committed employees are more likely to remain with the organization.

Patrick Owens (2006) had a similar finding in his study of training and organizational outcomes. Although Owens’ study centered on the overall impact of training he was able to find a correlation between commitment and turnover. The study found that employees that had a higher level of commitment also had a higher level of “turnover cognitions”. A higher score in “turnover cognitions” indicated that the employee had a more favorable attitude and was less likely to consider turnover. By applying the results of his survey to independent t-tests, Owens was able to determine that trained employees had a mean turnover cognition of 31.15 and organizational commitment of 83.54. In comparison, the untrained employees had a mean of 28.94 for turnover and 75.87 for

commitment. These statistics are relevant as they are representative of the inverse relationship of commitment and turnover. By separating the trained and untrained employees, Owens was able to show that the more committed employees are, the less likely they will consider turnover.

The aforementioned studies are representative of much of the research available relating to commitment and turnover. Commitment has a significant and positive impact on job performance and on workforce retention. The underlying belief is that a more committed employee will perform better at their job (Walton, 1985). The likely outcome of employees performing better and being more productive is an overall improvement in workforce stability. Whether employee commitment is enhanced through training, compensation, evaluation, or any other combination of human resource practices, research typically finds that a committed individual is one that remains with the company.

Determinants of Employee Commitment?

There is a great deal of literature which seeks to define and identify the specific characteristics of commitment. Scholars have offered many differing views and theories regarding employee commitment. Even with these differing views it is possible to find some consistent themes. In general there is significant supporting research that indicates that commitment is made up of investments, reciprocity, social identity (identification), and lack of alternatives. Investment states that it is an employee's "investment" and anticipation of a future "pay off" that serves to tie them closer to the company. Reciprocity, in contrast, indicates that it is the employee's obligation to "pay off" their debt to the company that will lead to greater commitment. Identification specifies that commitment can grow as a result of an employee's social identity becoming increasingly embedded in their employment. Finally, the lack of alternatives element states that the more specific an employee's skills become to a particular organization the less likely they will leave (Scholl, 1981). Although each of the four mechanisms may serve to enhance employee commitment they may do so

in varying degrees. As a result, the more prevalent each element becomes the more likely commitment will grow.

Investments. An employee that is invested in the organization is an employee that is going to remain with the organization. Howard Becker (1960) argued just this in his paper that analyzed the various concepts of commitment. Becker stated that employees can invest in a multitude of practices that can be perceived as "side bets". Examples of "side bets" may include attending training outside of work time, participation in an apprenticeship program, or attaining a high degree of seniority. "Side bets" can be centered on time, effort, pay, benefits, and so on. The greater the investment in any of these "side bets", the more likely the employee will remain with an organization. Due to the perceived cost of leaving being too high, side bets can serve to actually increase the employee's intent to remain (Liou & Nyhan, 1994).

Becker states that in order for commitment to be achieved through a "side bet" several elements must exist. One such element is that the individual is aware that a "side bet" was made. Another is that the choices that were made regarding a particular decision have an effect on other potential decisions. The "side bet" philosophy states that an investment is made today with the expectation that the benefit will be achieved at some future point. Some can view this as an employee "paying their dues" today in order to achieve success in the future (Scholl, 1981).

Becker (1960) provides an example of his "side bet" theory which relates to lower-class school teachers. The teachers "side bet" was that of time. When the time arose in which these lower-class teachers were eligible for transfer to a more affluent school, many denied the transfer. The denial was because the teachers adjusted their approach and teaching style to that of the lower-class. Discipline techniques, addressing issues with parents, as well as many other issues, would have resulted in the teachers having to drastically change their styles and approaches. These changes were found to be overly time consuming and radical. As a result, the transfers were denied. Due to the "side bet" of time, the teachers became invested and committed to

working with the lower-class population. The expenditure of time by the teachers actually tied them to the lower-class students even though more desirable teaching positions were available. In spite of the lowered expectations, the teacher's tenure resulted in them becoming "invested" to a particular organization (Scholl, 1981).

Hypothesis 1: Training that leads to an increase in perceived employee investment will increase employee commitment.

Reciprocity. Barrett and O'Connell (2001) argue that employees may view some human resource practices as a "gift". Training is one such practice that employees may view as a "gift". The result of this "gift" is that employees exert more effort, become more productive, and have a greater sense of debt to the organization. The "gift" also has the potential to make employees feel like "insiders" into the organization. An "insider" is likely to be more committed and devoted to the company. The idea of "gift" and "insider" parallels closely to the concept of reciprocity.

The premise behind reciprocity is that an employee will help the organization, because the organization helped to employee. The saying "don't bite the hand that feeds you" seems to correlate to reciprocity. This holds that employees should not only help the company but should also not hurt it because it was the company that helped the employee (Scholl, 1981). As a result, the "gift" that an employee receives may actually serve to commit them to the organization. Employees in the workforce have specific desires and expectations. When an organization seeks to meet and exceed these desires and expectations through reciprocity, then the likelihood of improving commitment is enhanced (Steers, 1977).

Hypothesis 2: Training that builds a sense of debt to the organization will lead to an increase in commitment.

Social Identity. In terms of commitment, social identity and identification are analogous to one another. The more an employee is able to

identify themselves to the organization, the more likely they will be committed. The stronger the identification to an organization and its goals, the stronger the commitment will be. The relative strength of identification, the belief in goals and values, and the willingness to work on behalf of the company are all factors that tie social identity to commitment (Blau & Boal, 1987; Steers, 1977).

On an informal level, social identity can be observed when two long lost friends meet. The first question that typically arises is "where do you work?" Within this commonly asked question one is able to determine that people derive a great deal of their identity from employment. The answer to the question carries with it a great deal regarding ones status. As a result, the more employment becomes connected and enmeshed in their social identity, the more committed the employee becomes. When a person's social identity and employment begins to become embedded with one another, change is much more difficult (Scholl, 1981).

Hypothesis 3: Training that seeks to increase an employee's identification with the company is likely to increase commitment.

Lack of Alternatives. This element of employee commitment can be best described by the earlier school teacher example. The investment of time was a deciding factor in the school teacher's decision to remain with the lower-class students even though more desirable positions became available. In addition to the "side bet" of time that developed, the experience of the teachers also served to limit their alternative employment options. The teacher's knowledge led to the development of strategies and skills that would have been objectionable to middle class parents. As a result, the teachers conformed to a low level teaching standard that would be below that of the middle class students (Becker, 1960). The years of teaching the lower class students actually served to limit future employment options.

Whether it is through training, job evaluation, job design, or any other human resource practice, it is generally argued that the

more specific an employee's skills the less likely they will leave the organization. This is exemplified in the above school teacher example. Although there may be several alternative employment options available to an employee, "there may be no better than the present one, producing the perception that there are no alternative opportunities" (Scholl, 1981: 595). As a result the lack of alternatives will likely lead to the development of a more committed employee.

Hypothesis 4: Training that serves to limit alternative employment options will lead to an increase in commitment.

THE IMPACT OF TRAINING THE FOUR ELEMENTS OF EMPLOYEE COMMITMENT?

There is a significant body of scholarly literature relating to the impact of training on organizational outcomes. The following sections will attempt to add to this literature by examining the effect that training has on employee commitment. This will be achieved by analyzing the four hypotheses discussed above in relation to the various empirical research and literature that is available. By providing an analysis of the empirical literature as it relates to the four hypotheses, one will be able to gain greater insight into the impact that training has on employee commitment.

Training and Employee Investment

As discussed earlier in this paper, an investment is a contribution that an employee makes today in anticipation that the benefit and "pay off" will be achieved in the future. Howard Becker (1960) identified these investments as "side bets". In many aspects, training is one such "side bet" that may increase employee investment and commitment. The question is how does training achieve this?

Gary Becker (1993) sought to better understand the relationship between the costs and returns to training by identifying two mutually exclusive forms of training – general training and specific training. General training is training that provides the worker with skill development not only applicable at the present

employer, but also at other firms throughout the labor market. Some examples of general training programs are apprenticeship trainings, general computer training, and learning surgical techniques that could be used in other hospitals. Educational reimbursement is also an example of general training, as the skills acquired can be of use to many different employers (Kaufman and Hotchkiss, 2006).

Gary Becker's model suggests that because general training provides skill development that can be used at other companies, the employer will not invest in it. The underlying premise is that within a competitive labor market, employees are typically paid for their level of production. With that, a company that provides general training will have to pay the employee a wage that coincides with their newly learned skills and their higher level of production. Companies that continue paying employees the pre-training rate of pay, risk losing the employee to a firm that will provide the higher wage. As a result, turnover would increase. By paying the higher wage, as well as paying for the general training, the current employer would be unable to recoup its overall investment. As a result, companies have no incentive to pay for general training and it is the workers themselves that will need to bear this cost (Frazis and Spletzer, 2005).

In contrast, specific on-the-job training is training that increases the workers productivity and output only at the company that provides it. The training is "specific" to that particular company only. Examples of specific training may include learning to drive a tank or operating machinery that is company specific.

Specific on-the-job training also differs from general training in that it is typically the company and not the individual worker that bears the cost of the training. The thought is that because training is specific to the individual company and nontransferable, the productivity of the worker increases for that particular company, but would remain the same for any other organization within the labor market. As a result, it is unlikely that specific training would result in turnover.

Gary Becker's argument essentially states that the more specific the training the less likely

turnover will occur. As the skills obtained are non-portable and non-transferable to other organizations, this type of specific training is paid for by the employer. In turn, employees typically receive less pay during the specific training period in anticipation of future wage increases. By contrasting Becker's model with a commitment approach one can see that the employee's investment of time and the anticipation of higher wages as potentially leading to an increase in commitment. Training in this context becomes a "side bet". The investment of time and effort expended during the training process is one such factor that may enhance an employee's commitment to the organization.

Another example that expands upon Becker's model is the blending of general and specific skills. Becker's model argues that general training would lead to an increase in turnover and that companies have little reason to invest in it. Several studies have proven that companies do invest in a blended form of general-specific training, many times without even realizing it. Acemoglu and Pischke (1999) argue that general and specific skills are complementary to one another. They indicate that organizations indirectly invest in general skills while providing skills that are presumed to be "firm-specific". By researching the data from the Employer Opportunity Pilot Project and the National Longitudinal Survey of Youth, Lowenstein and Speltzer (1999) found that 63 percent of employees that received training reported that the majority of the skills obtained were transferable to other organizations. A third study determined that the majority of training programs result in generating skills that are transferable to other organizations. Over 90% of the employees believed that the skills obtained were portable outside the company. In addition, employers paid for some piece of the training in over 84% of the cases (Green et al., 2000). The studies provide affirmation that most training entails a greater general component than many believe.

These results can be tied to employee commitment in a variety of ways. As indicated above, there are many organizations that are

investing in general training while assuming the skills being taught are company specific. From an investment perspective, commitment can be obtained due to the investment in time and energy involved in the training process. Regardless of the specificity of the training, the time and effort that an employee puts forth in any training program can lead to a more committed worker. Along these lines, Krueger and Rouse (1998) found that general training and specific skills are many times embedded in one another. They found that employees that attended training, regardless of its specificity, became more invested employees. These employees were shown to seek more job upgrades, receive more performance awards, and have better job attendance than those that did not attend training. The "general skills" training program which was paid completely by the employer essentially led to less employee turnover. It can be argued that the expenditure of effort and time led these employees to become more committed to the organization.

In contrast to Becker's belief that companies have little reason to invest in general training, from a commitment perspective one is able to ascertain several benefits to doing so. As stated throughout this section, the time, energy, and effort, that employees display in any type of training can result in a more invested and committed employee. Training, whether it is general or specific, can be viewed by the employee as a current investment that may offer a greater "pay off" at a later date. This increased investment on the part of the employee ties them closer to the organization (Scholl, 1981). Should the investment achieved from training become linked to part of a more global human resource strategy within the organization, then commitment will grow even more (Bartlett, 2001).

In addition, general training that is unable to increase commitment through investment, may be able to accomplish it through reciprocity. As will be discussed in the next section, an employee may desire to remain with the organization in order to repay the employer for providing general training. Although not achieved through investment, reciprocity may

provide an additional reason for an organization to invest in general training.

Training and Reciprocity

Reciprocity essentially states that an employee will help the company because the company helped them. This parallels the notion of the employee having a “sense of debt” toward the organization. Research on this element of commitment indicates that training can play an integral role in building a sense of debt to the company. Training that achieves reciprocity in the employee will foster an individual’s commitment to the organization.

Many scholars agree that organizations that train their employees consistently have better outcomes than those that do not. When business environments change quickly and abruptly, it is typically the companies with the best trained employees that adapt and adjust most efficiently. Glance, Hogg, and Huberman (1997) determined these statements to be accurate in their study that looked at training and turnover from the perspective of evolving organizations. The researchers affirmed that training encourages “spontaneous cooperation” in many large companies. Even in fast moving and ever evolving industries, the cooperation that can be achieved through training could lessen the need for complicated company policies. From a reciprocity perspective, one can ascertain that this “spontaneous cooperation” which results from training is due to the training participant’s sense of debt to the company. These fast paced, ever-changing industries need to retain employees in order to achieve company goals and gain a competitive advantage. As the study found, organizational training can offer these employees an opportunity they may have not been able to achieve elsewhere. This translates to the employee feeling a sense of debt to the company and desiring to “spontaneously cooperate” as a means of repaying the reward that they received.

Ronald Burke (1995) found that employees that participated in the most number of training programs and rated the trainings they attended as most relevant, viewed the organization as being more supportive, looked at the company more favorably, and had less of an intent to quit. One

could argue that training was able to enhance the employee’s sense of debt towards the organization. The result is a more committed employee that has a greater desire to remain. In this example, reciprocity holds that the employee received a “benefit” of training from the company and will attempt to repay it in the future. In essence, the employee will need to remain committed to the organization until the “benefit” is paid off (Scholl, 1981).

Barrett and O’Connell (2001) clearly portrayed the idea of reciprocity in their empirical research of organizations in Ireland. The researchers found that because of the transferability of skills that general training offers, employees devoted greater effort and energy to general training. Barrett and O’Connell found that the outcome of training depends on the effort that the participants put into it. The greater the sense of debt incurred with the training program, the more of a return on the investment that organizations will secure from the employee. From an employee perspective general training was found to be more valuable to employees than specific. Since a great deal of research indicates that general and specific training are many times enmeshed and intertwined in each other, it may best serve organizations to promote and encourage participation in general training programs.

Employees many times view general training as a “gift”. The employers disregard for the portability of the general skills being taught, signals to the employee that the organization is committed to them. In line with reciprocity, Barrett and O’Connell (2001) view this “gift” as being a type of self-fulfilling prophecy. Organizations that invest in and provide general training make the participants feel like “insiders”. The sense of being an “insider” is displayed in the employee’s exertion of more effort, improved work ethic, and increased productivity. The “gift” led to the development of a sense of debt to the company. In order to repay this debt, the employee became more committed and devoted to the organization.

Training and Social Identity

There is a significant body of literature that suggests that an individual’s identity is closely

related to their employment. In turn, training that serves to increase an employee's identification with the organization is likely to produce a more committed worker. Upon hire, training is typically one of the first human resource practices that organizations offer to their new employees. Training plays an integral role in the socialization process for many employees. Employees enter the employment relationship with many expectations and desires. When these expectations and desires are fulfilled, then the employee is able to better identify with the company. The result is an employee that becomes more committed. In turn, when a training program fails to meet these expectations, then there is usually a negative attitude change. These unmet expectations can lead to a decrease in commitment and a greater likelihood of turnover (Tannenbaum, Mathieu, Salas, and Cannon-Bowers, 1991). The decrease in commitment can be directly related to the employee being unable to identify with the organization. In contrast, when employee expectations and desires are achieved through training the worker is able to feel a greater connection.

A study of several British companies found that when training sought to enhance and develop a "culture of identification" between the organization and the employee, the intention to search for another job decreased substantially (Green et al., 2000). This can also be seen when one looks at the companies in Japan. Japanese companies prefer to train employees internally in the form of on-the-job training programs. A main reason for this is that outside schooling is thought to reduce commitment. Internal on-the-job training in Japan has a "commitment-maximizing" logic as it promotes a greater level of socialization. This company specific socialization encourages employees to identify solely with the organization. The internal training provided in Japan is said to increase identification and boost attachment. The result is an employee that is more committed to the organization (Lincoln and Kalleberg, 1996).

Training that attempts to increase identification with the organization is greatly enhanced when used within a strategic approach

to building commitment. Social support for training is a major factor in ensuring its successful integration. Support from upper management, middle managers, and colleagues can significantly impact the level of investment an employee will make. Cues from these people and from company policies can send a message to employees regarding the importance of training. The more positive the cues, the more likely training will enhance an employee's identification with the company. As a result, employee commitment is enhanced due to the perceived support that one receives from colleagues and managers.

Fostering an environment where participation in training programs are encouraged and linked to an overall human resource strategy can have a significant impact on an employee's level of commitment. In these organizations, commitment is likely to be higher, as employees are better able to identify with the organization (Bartlett, 2001). Training can be utilized as a tool that serves to entrench the employee deeper into a particular social identity. Doing so will make it more difficult for the employee to change and more committed overall (Scholl, 1981).

Training and Lack of Alternatives

Training that serves to limit alternative employment options can be best described by the work of Gary Becker. Becker's study of human capital in relation to general and specific training was discussed in earlier sections of this paper. Becker's model and ideas related to training has been widely researched and debated among scholars. Becker (1993) argues that general training, due to the portability of skills acquired leads to an increase in turnover; while specific training, due to the non-transferability of skills acquired leads to less of an impact on turnover. Holding aside the argument of the blending of general and specific training discussed previously, Becker's theory appears to directly apply to the role of training in limiting alternative employment options.

There are many scholarly journals that have defended Becker's position that specific training leads to a decrease in turnover. Lisa Lynch

(1991) found that young workers that participated in formal and specific on-the-job training were much less likely to terminate the employment relationship than workers that received off-the-job generalized training. Several studies examined the “cherry-picking” phenomenon where companies wait until employees are trained by other organizations and once trained the employees are hired away to other companies. It has been noted that organizations often prefer to “steal” these newly trained employees because they will produce at a higher level (Glance et al., 1997). The company that pays for the training though is the one that loses its entire investment should the employee be “stolen”. In the end, it is non-portable specific training that is much more attractive to organizations as it eliminates the chance that the trained employee will be “hired away” (Lynch & Black, 1998). This parallels the reasoning behind Becker’s argument that organizations have little incentive to pay for general training.

Numerous other studies also support Becker’s human capital model of training. Jeffrey Groen (2006) states that companies in small markets have a greater incentive to invest in training that is company specific. Groen argues that as the market size expands training has a tendency to become more general and the likelihood of turnover begins to increase. Frazis and Speltzer (2005) through an analysis of the 1979 National Longitudinal Survey of Youth and various scholarly journals also found support for Becker’s theory. The researchers found that employees that receive specific training have a lower probability of quitting than employees who do not.

The research shows significant support for Becker’s theory of human capital. Many of the studies were highlighted above as they lend credence to the effect that training can have on limiting an employee’s alternatives. All the studies conclude as Becker did, that the more specific the training the less likely turnover will occur. Specific training leads to the development of skills that are non-portable and highly specific to the training organization. As the skills attained become more specific the likelihood that the employee will terminate the employment relationship decreases. The

specificity of the training leads to an employee having less employment options.

Becker’s model also states that many organizations will provide additional wages to an employee following training as a means of ensuring their tenure. Employees that participated in a formal and specific company training program were found to have higher earnings than employees that were trained at an outside school (Eck, 1993). The increase in wages can also tie an employee closer to an organization. The higher the wage achieved from the completion of training the less likely other employers would be able to pay a similar wage. The increased wage may place further limits on an employee’s ability to search for alternative employment. The training specificity may serve a dual role both in the skills acquired and in the enhancement of wages. The result of this dual role is that it begins to limit the alternatives available and makes leaving the organization a less desirable option.

As described in previous sections, research indicates that receiving training that is purely specific is challenging. A great number of research studies conclude that general training and specific training are enmeshed in one another. Many times there is a very unclear disparity between the two types of training. Although this disparity may appear to contradict the research discussed in this section, from the perspective of available employment options, it is evident that as an employee’s skill set becomes more specific the fewer alternatives they will have. The more that training is able to contribute to the development of these purely specific skills, then the more committed employees will become.

CONCLUSION

Commitment within the workplace typically results from the interaction and the relationship that an employee has with an organization (Scholl, 2003). Along these lines, Richard Walton (1985) looked at the establishment of commitment in an organization within a very broad framework. “Stretching objectives”, providing assurances to employees, encouraging employees to have a “voice”, and compensation policies are a few of the strategies that

organizations must incorporate into a commitment-based approach. Training is one of several human resource practices that can have a considerable impact on employee commitment. As stated throughout this paper, training that seeks to improve employee investment, increase reciprocity, helps the employee identify with the organization, and serves to limit alternative employment options will enhance the employee's commitment to the company. The result of this will be an organization that is better able to retain its workforce. Patrick Owens' (2006) study on the relationship between training and organizational outcomes found just that to be true. The Owens study hypothesized that employee's in training programs will report higher levels of commitment and will be less likely to consider turnover. The research affirmed the hypothesis that training has a positive impact on commitment and turnover cognitions. Many other scholars and practitioners in addition to Owens have had similar research findings.

Scholars and practitioners also agree that although training can positively impact commitment, simply providing training to employees is not enough. The benefits of training will be achieved only to the extent that the employees accept it and contribute to it. As a result, an organization needs to seriously determine what it is looking to achieve within the training program as well as the impact it will have on employee effort, commitment, and turnover (Glance et al., 1997). Within this context, training becomes most effective in enhancing commitment when it is used in conjunction with other commitment-based human resource policies and strategies.

Training that coincides with other commitment generating human resource policies is typically associated with a greater level of employee retention. Many scholars have found that regardless of whether companies pay entirely for general or purely specific training, when other commitment policies are in place there tends to be a downward impact on mobility. A human resource approach that seeks to "bundle" commitment policies, such as linking training to employee appraisal and

compensation plans, have shown to further enhance employee commitment (Green et al., 2000).

Social support and access to training can also play a significant role into the level of commitment that is established. Employees are likely to place greater value on training programs that are highly respected by colleagues, supervisors, and managers. Organizations that are able to create an environment where training is supported and valued by employees will be able to achieve greater commitment outcomes (Bartlett, 2001). Management behavior was one of the most notable determinants of successful training programs. Employee commitment was found to be higher in organizations where management allowed access to and candidly supported employee training (Heyes and Stuart, 1996). The underlying philosophy is the need for management to acknowledge and openly accept the legitimacy of the commitment-based strategy (Walton, 1985).

The relevancy of training also plays a role in establishing employee commitment. Employees enter into training programs with specific expectations and needs. The result of training programs that do not meet the expectations and needs of participants may be lower commitment, negative attitude change, and an increase in turnover. One study found that training participants that received "realistic notices" and accurate training information prior to training reported better outcomes than those that did not receive any information regarding the training process. The participants that were provided with pre-training information viewed that training as more relevant and entered into the training with accurate expectations (Tannenbaum et al, 1991). In addition, the employees that viewed training as the "most relevant" to their current jobs were able to attain more positive commitment outcomes and had less of an intent to quit (Burke, 1995). In order to use training as a mechanism to build commitment, organizations need to ensure that trainings are relevant, are communicated effectively, and are able to meet the expectations of the employees participating.

Organizations also need to strategically determine who is going to pay for the training. Payment made by the employee or by the organization may lead to two very different outcomes. Companies need to be aware of the consequences of each approach. General training, which is transferable to other organizations, would likely be paid for by the employee. Company specific training, on the other hand, would likely be paid for by the company as the skills acquired are non-portable. For organizations that are able to invest in purely specific training, the specificity of the skills developed may result in limiting alternative employment options for workers. This will serve to enhance and increase employee commitment. As a result, companies may be more open to paying for this type of specific training as they are able to recoup their investment (Becker, 1993).

Along these lines many practitioners have had significant difficulty distinguishing between purely specific and purely general training. Much of the research has shown that general and specific training are often enmeshed in one another. Understanding this would lend credence to the opinion that organizations invest, knowingly or unknowingly, in some level of general training. Research has found that when organizations invest in general training and reciprocity grows there is an increase in employee commitment. Employees view this type of investment as a “gift”. As a result of the “gift”, they begin to perceive themselves as “insiders” into the company. In turn a company’s investment in general training can ultimately increase commitment and decrease turnover (Barrett and O’Connell, 2001). When training is tied into other human resource commitment practices, company funded general training will lead to an increase in commitment (Green et al., 2000).

Training is a tool that can assist organizations in building a more committed and productive workforce. By helping to establish employee investment, reciprocity, identification, and by limiting alternative employment options, an effective training program can lead to greater commitment and less employee turnover. The result is an organization that is more productive

and professional. Although training can play a major role in this process, organizations need to look at additional work force strategies and practices that can enhance commitment. Training alone may offer many benefits but a much greater impact will be found when using a strategy to human resources that entails many different organizational commitment practices and policies. Organizations need to strategically and methodically develop human resource practices that are designed to fully achieve commitment (Heyes et al., 1996). Based on the principles identified throughout this paper, an effective training program is one such organizational practice that can lead to greater employee commitment and a more stable workforce.

REFERENCES

- Acemoglu, D., and Pischke, J. 1999. Beyond Becker: Training in imperfect labor markets. *The Economic Journal*, 109: 112-114.
- American Society for Training and Development: ATSD State of the Industry Report, Executive Summary
http://www.astd.org/astd/research/research_reports
- Arthur, J. B. 1994. Effects of human resource systems on manufacturing performance and turnover. *The Academy of Manufacturing Performance*, 37(3): 670-687.
- Barrett, A., & O’Connell, P. J. 2001. Does training generally work? The returns to in-company training. *Industrial and Labor Relations Review*, 54(3): 647-662.
- Bartlett, K. 2001. The relationship between training and organizational commitment: A study in the health care field. *Human Resource Development Quarterly*, 12(4): 335-352.
- Becker, G. S. 1993. *Human capital: A theoretical and empirical analysis with special reference to education* (3rd ed.). Chicago, IL: University of Chicago Press.
- Becker, H. S. 1960. Notes on the concept of commitment. *The American Journal of Sociology*, 66(1): 32-40.

- Blau, G. J., & Boal, K. B. 1987. Conceptualizing how job involvement and organizational commitment affect turnover and absenteeism. *The Academy of Management Review*, 12(2): 288-300.
- Burke, R. J. 1995. Benefits of formal training courses within a professional services firm. *The Journal of Management Development*, 14(3): 3-13.
- Colarelli, S. M., & Montei, M. S. 1996. Some contextual influences on training utilization. *The Journal of Applied Behavioral Science*, 32(3): 306-322.
- Eck, A. 1993. Job-related education and training: their impact on earnings. *Monthly Labor Review*, 116(10): 21-38.
- Frazis, H., Gittleman, M., Horrigan, M., & Joyce, M. 1998. Results from the 1995 Survey of Employer Provided Training. *Monthly Labor Review*, 121(6): 3-13.
- Frazis, H. J., and Speltzer, J. R. 2005. Worker training: What we've learned from the NLSY79. *Monthly Labor Review*, 128(2): 48-58.
- Glance, N.S., Hogg, T., and Huberman, B.A. 1997. Training and turnover in the evolution of organizations. *Organization Science*, 8(1): 84-96.
- Green, F., Felsted, A., Mayhew, K., & Pack, A. 2000. The impact of training on labour mobility: Individual and firm-level evidence from Britain. *British Journal of Industrial Relations*, 38(2): 261-275.
- Groen, J. A. 2006. Occupation-specific human capital and local labour markets. *Oxford Economic Papers*, 58: 722-741.
- Heyes, J., & Stuart, M. 1996. Does training matter? Employee experiences and attitudes. *Human Resource Management Journal*, 6(3): 7-21.
- Kaufman, B., & Hotchkiss, J. 2006. *Economics of Labor Markets* (7th ed.). Mason, OH: Thomson South-Western.
- Krueger, A., and Rouse, C. 1998. The effect of workplace education on earnings, turnover, and job performance. *Journal of Labor Economics*, 16(1): 61-94.
- Lincoln, J. R., & Kalleberg, A. L. 1996. Commitment, quits, and work organization in Japanese and U.S. plants. *Industrial and Labor Relations Review*, 50(1): 39-59.
- Liou, K. T., & Nyhan, R. C. 1994. Dimensions of organizational commitment in the public sector: An empirical assessment. *Public Administration Quarterly*, 18(1): 99-113.
- Loewenstein, M. A., & Speltzer, J. R. 1999. General and specific training: Evidence and implication. *The Journal of Human Resources*, 34(4): 710-733.
- Lynch, L. M. 1991. The role of off-the-job vs. on-the-job training for the mobility of women workers. *American Economic Review*, 81(2): 151-156.
- Lynch, L. M., & Black, S. E. 1998. Beyond the incidence of employer-provided training. *Industrial and Labor Relations Review*, 52(1): 64-81.
- Owan, H. 2004. Promotion, turnover, earnings, and firm-sponsored training. *Journal of Labor Economics*, 22(4): 955-978.
- Owens, P. L. 2006. One more reason not to cut your training budget: The relationship between training and organizational outcomes. *Public Personnel Management*, 35(2): 163-171.
- Scholl, R. W. 1981. Differentiating organizational commitment from expectancy as a motivating force. *Academy of Management Review*, 6(4): 589-599.
- Scholl, R.W. (2003) http://www.uri.edu/research/lrc/scholl/Notes/Commitment_Control.html accessed January 2007.
- Steers, R. M. 1977. Antecedents and outcomes of organizational commitment. *Administrative Science Quarterly*, 22(1): 46-56.

Tannenbaum, S. I., Mathieu, J. E., Salas, E., & Cannon-Bowers, J. A. 1991. Meeting trainees' expectations: The influence of training fulfillment on the development of commitment, self-efficacy, and motivation. *Journal of Applied Psychology*, 76(6): 759-769.

Walton, R. E. 1985. From control to commitment in the workplace. *Harvard Business Review*, 63(2): 77-84.