

Original article

The Impact of Training on Human Resource Performance: An Applied Study on Jumhouria Bank, Tarhuna Branch

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Abstract

Organizational training has become a strategic necessity for companies seeking to enhance the performance of their human resources in today's highly competitive and rapidly evolving technological landscape. This applied study examines the role of training in the performance of human resources at Jumhouria Bank, Tarhuna branch, within the Libyan banking sector. Using current literature in human resource management that emphasizes training as an essential component for enhanced productivity, quality of service, and organizational sustenance, the study aims to analyze the training means and training program content as predictors of employee performance (4; 5). A descriptive-analytical approach was assumed, and data were collected through questionnaires structured around a five-point Likert scale. The sample was the entire branch of the institution (N=40). A sample census was undertaken, and a total of 40 questionnaires were administered. 36 questionnaires were completed, and their responses were processed through SPSS. The measurement tool spanned across two main independent dimensions - training means and training content - and one dependent dimension, human resource performance. Reliability and validity checks were performed to establish clarity and cohesion of the instrument, and results were subjected to suitable descriptive and inferential statistics. Using simple linear regression, it was determined that there was a strong positive and statistically significant relationship between training and employee performance. Training alone accounted for 38.7% of the variance in performance, and training content accounted for 51.4%. When both dimensions were integrated into a singular training variable, the model accounted for 53.1% of the variance in human resource performance, thus proving the central hypothesis that training has a considerable impact on performance. The bank's training programs appear to have increased employees' problem-solving abilities, communication, and task completion speed and accuracy, while also decreasing mistakes. Training impact was especially evident among younger and mid-career employees (under 40), indicating the bank's training investments to be most effective within this demographic. The study indicates that further improvements in the technological and pedagogical components of training, especially in digital banking and cybersecurity, paired with training outcome-based incentives, have the potential for greater performance gains.

Keywords. Training, Performance, Human Resources, Banking Industry, Jumhouria Bank, Libya.

Introduction

Training in modern organizations is an integral part of the administrative process as it links the organization's physical resources with the human element in achieving the goals of the organization. In competitive environments, such as the banking industry, training helps bridge the gaps between the technology that is available and the human resources who will provide the relevant and high-quality services (1; 2). In environments with more available market options and the prevalence of digital banking, organizations that do not continuously support the development of their employees will experience declining levels of productivity and increased strategic exposure. You can identify training in the human resources management literature as an attempt to systematically provide employees with an organized and planned approach to acquire the knowledge, skills, and attitudes that will help them perform the current and future tasks of the organization (3). Training is aimed at behavior change in a positive direction and at the alignment of personal and professional standards with the goals of the organization. Training, in this sense, is not a one-off incident; rather, it is a process that happens throughout the entire career of the employee and helps the organization to overcome the challenges and changes that the environment, technology, and regulations bring about (4).

Training systems play an important role at multiple levels. At the societal level, good training systems build qualified managerial and administrative leadership and support overall economic and social development (5). At the

organizational level, training enhances the correction of specific underperformance areas, improves the quality of service delivery, costs, and waste, and fosters innovation and competitiveness. At the individual level, training is important for the acquisition and refinement of skills, problem-solving, career advancement, and improving job satisfaction and organizational commitment (6).

The extent and measure of the effectiveness of an organization is defined by the performance of its human resources, which is described as how far and to what extent the staff does what is expected of them in terms of their functions, roles, and responsibilities. This is determined by the skills and competence of the employee, the motivation levels, the working conditions, and the type of managerial support available. Performance is evaluated and measured by the quantity and quality of the output produced, compliance with organizational systems and procedures, collaboration and teamwork, and customer satisfaction (7). Given the centrality of human resource performance to the edifice of success of an institution, it is important to understand how training affects human resource performance from both a theoretical and practical perspective.

The studies conducted in the Arab and adjacent regions confirm the positive impacts of training and performance. In the Libyan Ministry of Foreign Affairs, revealed that the performance of employees was enhanced after the implementation of a training strategy, whereas in the case of the public administration of Sudan, (8) reported the impact that training was able to exert on the performance of staff. Competency-based training enhanced performance, according to (9), in the case of employees in the university hospitals of Jordan, while in a small surgical clinic in Algeria, demonstrated that the performance of employees improved as a result of the training offered. (10) also described the effects of training on the development of human resources for the Iraqi electricity company. Clearly, training is notable in most, if not all, industries and countries.

Even with the evidence increasing every day, I still believe the Libyan banking sector needs evidence at the level of branches, more so in regional branches where there may be more specific resource, technology, and staff constraints. Jumhouria Bank is one of the major banks in Libya, and the Tarhuna branch is important in addressing the needs of local clients and facilitating economic activities in the surrounding region. However, like almost all other financial institutions, Tarhuna is facing the challenges of digital transformation, increasing customer demands, and competition. These factors increase the need for training interventions at both the behavioral and technical levels.

Within this context, this study attempts to analyze how training affects the performance of human resources at Jumhouria Bank, Tarhuna branch. It investigates two dimensions of training: the training delivery method and the training program content, and the training dimensions individually and collectively on employee performance. The main research question is: What is the effect of training on the human resource performance at the Tarhuna branch of Jumhouria Bank? From this question, three hypotheses were posited: training delivery methods have a significant effect on performance, training program content has a significant effect on performance, and combined training (methods and content) has a significant positive effect on the performance of human resources.

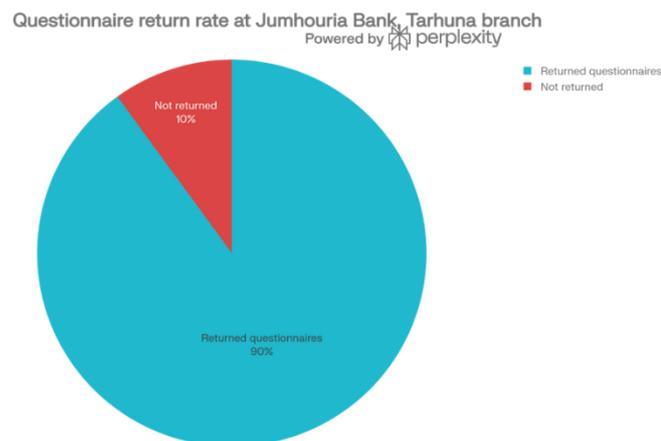


Figure 1. Questionnaire return rate

The banking sector is often seen as one of the sectors where training and performance are under-researched, and this study hopes to develop the theoretical knowledge available on training and performance in the banking sector. The results will address a practical problem facing bank managerial staff and provide recommendations on how they can improve their training practices.

Studied (10) the effect of training strategies on the employee performance of the Ministry of Foreign Affairs of Libya. With a descriptive-quantitative approach with a sample of 192 respondents, the study stated that a well-structured training strategy has a positive and significant effect on increasing the levels of functional performance. The results of the study pointed out the need to balance the training function with the other factors that are pivotal to the success of diplomatic institutions.

At the regional level, (11) studied the impact of training on the performance of staff in the Shendi locality of Sudan, 2010-2017. With descriptive and analytical methods and the use of the SPSS program to analyze the data, Jihad found that training is effective in bringing about a change in people and enhancing their productivity by providing them with the relevant information and skills. The study pointed out that in order to achieve organizational goals, there should be a set of continuous training programs aimed at individual employees.

Focusing on the healthcare sector, (12) assessed the effects of competency-based training on the performance of employees in Jordanian university hospitals. Surveys of 182 hospital administrative employees showed that training with an emphasis on the staff's/trainees' skills, levels of cognition, and situational (contextual) diagnosis positively impacted the performance of the employees. It was suggested that hospital management invest in specialized training programs to improve the adaptive capabilities of the leaders and personnel of the hospital.

(13) studied small and medium enterprises (SMEs) and the Training role on employee performance at the Diaa Surgical Clinic in Ouargla, Algeria. The author surveyed 40 employees. The author defined training as an ongoing process that is centered on the individual and is designed to positively affect behavioral, technical, and mental transformations. The author concluded that training is essential to satisfy present and future employment demands. The author recommended that employees be involved in training design to ensure the highest likelihood of success of the training programs.

Materials and methods

Study design

Using a descriptive-analytical design framework means the study can capture various aspects of a given phenomenon, while also enabling the researcher to explore the relationships between the various components of the phenomenon using descriptive quantitative techniques (13). For example, using the descriptive dimension, the researcher can convey the state of training practices and employee performance in the Tarhuna branch of Jumhouria Bank. The analytical dimension, on the other hand, examines the effect of the various components of training on the performance of the human resource through the use of regression analysis. The mixed methods design, in this case, is beneficial for providing contextual information and allowing the researcher to make a statistical estimation on the type and strength of the relationships being analyzed (14).

Population and sample

The research population encompassed all categories of employees of Jumhouria Bank, Tarhuna branch, and all of the employees, regardless of the administrative and functional levels, were considered. At the time of the study, the branch's official records indicated a staffing number of 40. Considering the population was relatively small, and recognizing the need to capture the insights of all categories of staff, the researcher employed a census approach aimed at including the entire population in the sample.

A copy of the self-administered structured questionnaire was distributed to 40 employees of the organisation. 36 completed questionnaires were returned and considered valid for analysis. This brought the response rate to 90%. The respondents were of different genders, ages, educational qualifications, specializations, job titles, and years of experience, and therefore, the study was able to capture the diversity of this branch of the organisation. Descriptive statistics in the original thesis indicated that most of the respondents were below the age of 40, which indicates that

the majority of the workforce is relatively ‘young’ and can be open to and easily adapt to continuous training and development.

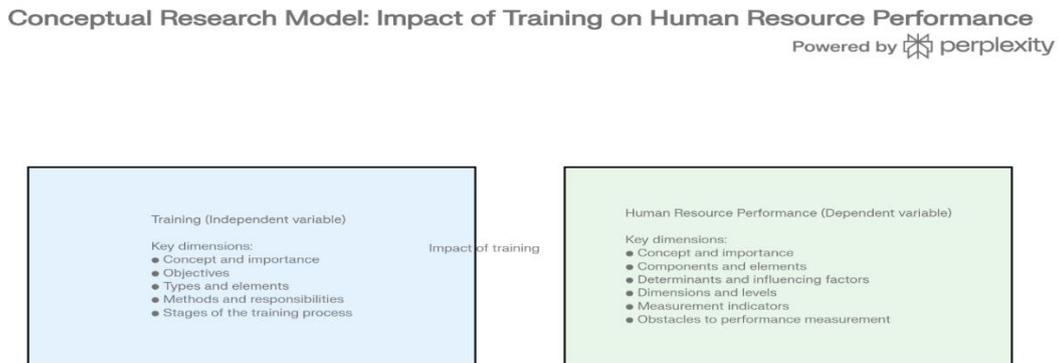


Figure 2. Conceptual Research Model

Tools for Data Collection

Data collection was accomplished by using a questionnaire that was prepared for this study after a thorough review of the relevant literature involving training and human resource performance (4, 5, 6). The instrument was divided into three parts. The first part requires the demographic and job-related information. The second part, which is for the independent variable (training), contains two dimensions, i.e., training means and training content. The last part of the questionnaire, which is meant for the dependent variable (human resource performance) contain items of various aspects of performance, i.e., work accuracy and speed, problem-solving, and communication with colleagues and clients.

Respondents answered closed-ended items on a Likert scale of five choices, ranging from “strongly disagree” to “strongly agree.” Social scientists often use this scaling method to understand feelings and attitudes and to justify using parametric statistics (13,12). The authors utilized several instruments and definitions from Arabic and international literature on training and performance and adapted them to the banking services context (4; 7; 6).

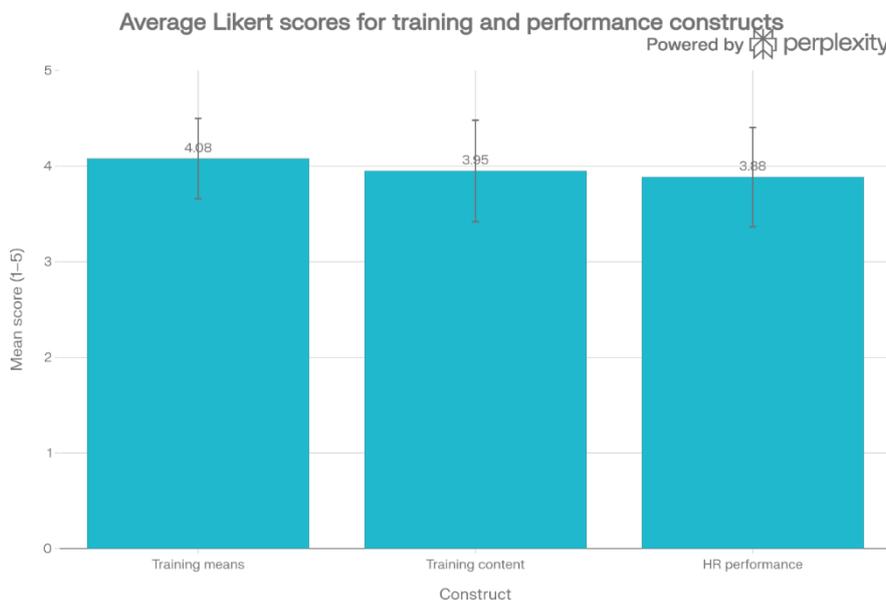


Figure 3. Average Likert scores

Constructing the questionnaire

In the banking domain, the first version of the questionnaire was evaluated by specialists in human resource management and banking training. Their comments and suggestions about item wording and clarity, and the relevance and coverage of the constructs, were incorporated to make the necessary adjustments. Their expertise in the review process increased the face and content validity of the instrument (15).

The dimensions of training means, training content, and human resource performance, as well as the overall instrument, were assessed using Cronbach’s alpha coefficient scale reliability. In the original thesis, the author stated that alpha values were acceptable for all scales, and values were higher than the threshold of the internal consistency of the scales in social science research. This suggests that the scales in each construct measure the same underlying factor consistently (15).

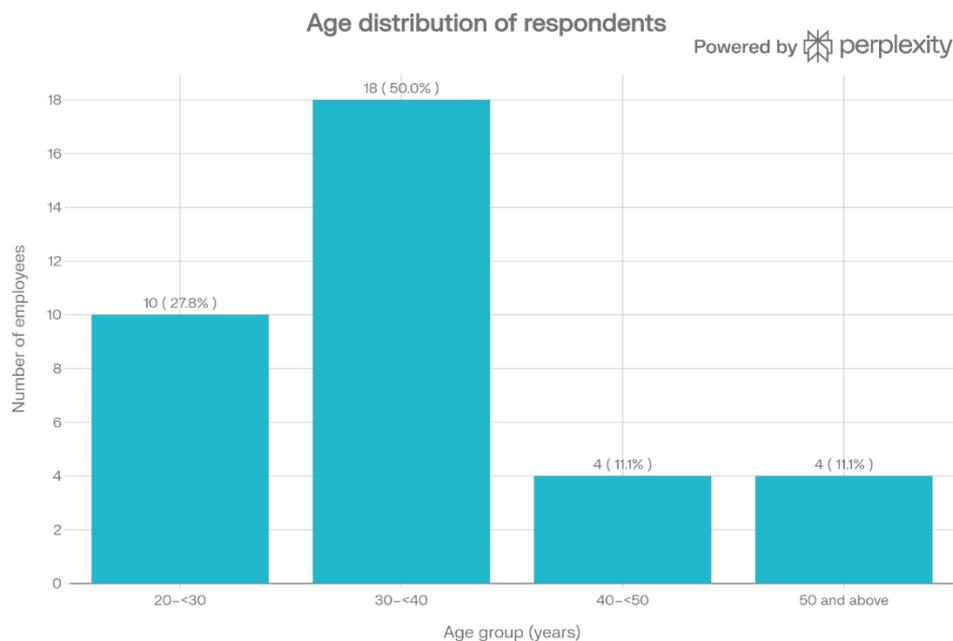


Figure 4. Age distribution of respondents

Data analysis

The data were coded and analyzed using the Statistical Package for the Social Sciences (SPSS). The first step in the analysis plan was descriptive (mean, standard deviation, and frequency) analysis of the demographic variables of the respondents and their perception of the training practice and performance. Then, diagnostic and preliminary analyses were performed to determine if the data were appropriate for the regression analysis, including normality and linearity analyses where applicable to the level of the study.

Third, the study hypotheses were tested using simple linear regression analysis. Three models were constructed. The first looked into the impact of training means on human resource performance, the second assessed the impact of training content on performance, and the third model attempted to predict performance using an overall training variable (means and content combined). The correlation coefficient (R), the coefficient of determination (R²), the adjusted R², and the standard error of the estimate were calculated for each model. The regression coefficients were tested for statistical significance at the p < 0.05 level, and the focus of regression analysis was on the practical and statistical significance of the coefficients.

(Figure 1) summarizes the results of the regression analysis for the three models, illustrating the extent of variance in performance attributed to each training dimension and to training as a holistic construct.

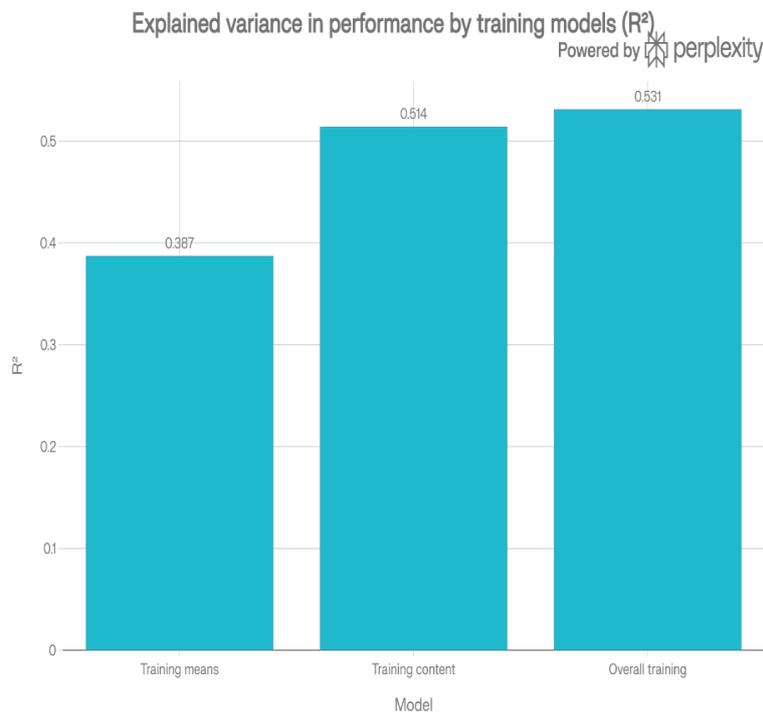


Figure 5. Explained variance (R²) in human resource performance by training dimensions

In line with the practices in social research, ethical considerations were taken into account. Participation in the study was voluntary, and participants were informed about the study's objectives. All responses were treated confidentially and were used strictly for academic purposes. No response was linked to identifiable personal information.

Results and Discussion

Descriptive Outcomes

Descriptive analysis suggested that there are mostly positive attitudes about training practices and the performance of the human resources within Jumhouria Bank, Tarhuna branch. On the Likert scale, most respondents scored training means, training facilities, and access to trainers above the neutral score, which indicates that employees perceived the training systems positively. This is consistent with the training systems literature that acknowledges the importance of inputs like trainers, materials, and technology in enhancing training effectiveness (16).

Comparably, training programs' content has been evaluated very positively. Respondents stated that training materials were relevant to their job tasks and sufficiently detailed to develop their technical and service skills. This result confirms the literature's focus on the importance of training content covering the performance requirements of the job, while also developing the technical and behavioral sides of the competencies.

The perception of the performance of human resources was also relatively high. Employees stated that training has helped improve the speed and accuracy of completing banking transactions, reducing mistakes, improving communication with customers and colleagues, and improving the handling of work-related issues. These self-reported outcomes correspond with the theory that effective training improves employee potential, positively affecting task performance and contextual performance (4; 7). The descriptive profile thus provides initial support for the hypothesized positive role of training in shaping performance at the branch level.

Impact of Training Resources on Employee Performance

The first hypothesis stated that there is a measurable impact of training resources on employee performance. From the regression analysis with training resources as the independent variable and employee performance as the dependent variable, a correlation coefficient of $R=0.622$ was found. This is indicative of a strong positive correlation; the better the training resources, the better the performance of the employees. The explanation of the performance of employees in

relation to training resources is given as 38.7%. This is shown in the coefficient of determination $R^2 = 0.387$. The model also produced a fairly low standard error of the estimate (0.3340). This shows the robustness of the model.

When training is appropriate, engaging, and interactive, participants internalize their learning, and training objectives can be achieved. The model's significant explanatory power demonstrates that there are tangible outcomes for performance when measures are taken to improve training methods. (15:16) corroborate that modifying and modernizing training techniques improves the capacity of employees in public sector institutions and the infrastructure domain.

Impact of training content on the performance of human resources

The second hypothesis mentioned that training content has a statistically measurable impact on the performance of human resources. In this case, the relevant regression model yielded a correlation coefficient R of 0.717, which is quite a positive correlation with the quantity and relevance of training content and the level of performance. The value R^2 is 0.514. This means that 51.4% of the variance is explained by the training content of the performance of human resources. The adjusted R^2 (0.499), along with a lower standard error of estimate (0.2973), confirms the model is robust.

From an administrative perspective, this outcome suggests that nearly, if not over one half, of the upward shift in the level of employees' performance can be linked to the flow of training materials that are designed, revised, and synchronized with the real banking operations. Materials that discuss contemporary challenges, such as digital banking and fraud, risk and money laundering, customer service and cyber security, and the related, as well as the emerging new customer service standards, bolster employees' confidence and their ability to skillfully perform the functions of their positions (6; 5. The impact of the materials in this study concurs with the outcomes of research centered on competency-based training in the healthcare and other service industries, where specifically focused and targeted materials resulted in marked increases in performance indicators (10; 3).

The emphasis on training content over training means suggests that while the manner in which content is delivered is important, the actual content of training is of even greater importance. No amount of sophisticated delivery can make up for training materials that are stale, overly theoretical, or disconnected from the realities employees confront. Meanwhile, even under less sophisticated delivery, high-quality problem-oriented content can yield significant performance improvements. Thus, bank management should prioritize the ongoing updating of training curricula in response to shifts in regulations, technology, and customer demands.

Combined effect of overall training on human resource performance

The third and main hypothesis was concerned with overall training viewed as an integrated process of means and content having an effect on human resource performance. This was validated by the regression model of training means and training content. With a correlation of 0.729, the model showed a very strong and concrete relationship with overall training and performance. The value of the coefficient of determination, R^2 of 0.531, justified that in the integrated process of training means and content, 53.1 % of the variability in the performance of human resources was explained with a standard error of estimate of 0.2963.

This specific example shows that there is a strong, systemic impact on performance, where the dominant dimensions of training are systematically aligned at the synergetic level. While the training content alone accounts for a slightly greater share of the training means variance, the integrated training system for both components explains an even higher share of variance. This is probably because, as evidenced, the presence of high-quality, adequate training content, through appropriate and stimulating training means, is most likely to assist in the retention of learning, affect behavioral change, and the conversion of knowledge into improved work practices. The fact that more than 50% of the variation of the dependent variable can be explained through the training variable confirms the most prominent position training assumes in the management of the human resources of the banks.

The results, on the other hand, show that employees who are given specific training, structured in the appropriate means, are more precise, faster, and more professional in the execution of financial transactions, possess greater problem-solving skills, and are better in communication, especially with clients, than employees who are trained by other means. Furthermore, the study finds young and mid-career employees in the sample to be more responsive to

training, indicating that providing training to this group continuously and at an early stage produces considerable potential rewards for the bank in terms of its performance and adaptability in the long-run (15).

Theoretical implications and studies from the past

The positive impact of training on employee performance, as documented in other research in the Arab region, is corroborated in this study. (8) stated that training is the most crucial factor in enhancing productivity and work quality in the local administration of Sudan. (10) found that competency-based training, in terms of the “skills, cognitive, and situational diagnosis” dimensions, was a strong performance influencer of hospital employees in Jordan. In the Libyan Ministry of Foreign Affairs, (2) noted that a training strategy boosted the functional performance of the diplomatic staff significantly. Likewise, (3) and (9) identified training as a significant performance driver in small businesses and the government’s infrastructure sector, respectively.

The current research has shown how the Libyan commercial banking industry and a regional branch context have confirmed the validity of training being just as important for financial services institutions. On a conceptual level, the research supports training models that view training system components as inputs (people, materials, and information), a process (design, implementation, and evaluation), and an output (individual and organizational performance enhancement) (16; 4). The models that explain the value of training with good design and delivery have shown that the performance of the training beneficiaries and the organization improves, as evidenced by the high R^2 value.

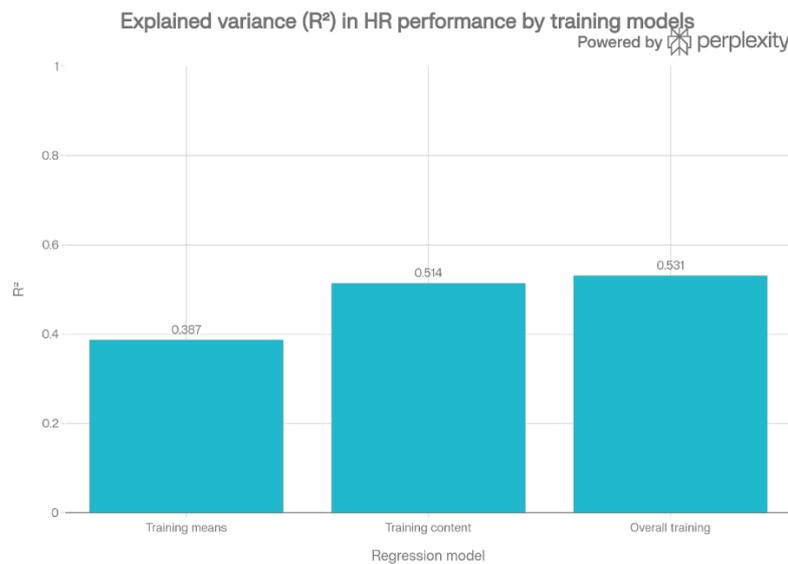


Figure 6. R^2 in HR performance by training models

The evidence also supports the need for the management of human resources to be strategic; that is, the management of training needs to be incorporated into the design of the organizational strategy and the training acts as a structural component rather than an operational component or an administrative function (5; 7). This, for Jumhouria Bank, means that training policies must be aligned with the bank’s digital transformation, risk management, and customer-centric service objectives.

Managerial implications and practical recommendations

The results present messages for the banks and HR professionals. From the managerial perspective, the first and foremost, if the impact of training is significant, then banks should be willing to invest both their financial and managerial resources in the training functions, even during economic crunches. Training budget cuts may bring immediate economic benefits, but they can cause a decline in the quality of service and competitiveness in the long run (4; 6). Secondly, the training content possessed a relatively higher explanatory power, which means that Jumhouria Bank should ensure that course curricula are periodically updated and more focused. With the rapid

evolution of financial services and the increasing risks of a breach in cyberspace, more focus should be directed to training in digital banking, cybersecurity, anti-fraud systems, and customer service. More specialized training in these areas will assist employees in gaining mastery of the systems, mitigating operational and security risks, and help answer customer problems more effectively. Third, since training also significantly influences performance, the bank must continue to integrate approaches such as interactive training, practical simulations, and real banking environment e-learning platforms. These approaches enhance training engagement and experiential learning, while also providing training flexibility, particularly for employees with heavy workloads (12; 13). Blended learning, which incorporates e-learning with classroom training, may also provide optimal results. Fourth, to sustain motivation and reinforce behavioral change, the bank needs to institutionalize training outcomes. Using positive training feedback for promotions, performance-based bonuses, and/or public acknowledgments would create an environment of continuous learning and professional development (7; 5). Lastly, the work environment itself must support the transfer of training to practice. This includes making sure that the technological infrastructure in the branch is adequate for applying newly acquired skills, that procedures are aligned with training content, and that supervisors encourage and model the application of new methods rather than reverting to outdated routines (4; 9). This lack of alignment can undermine training efforts.

Conclusion

Jumhouria Bank, Tarhuna branch, applied the study and provides strong evidence that, in the context of a Libyan commercial bank, training as an input makes the most significant impact on the performance of the human resource. The study shows, through an analysis of the factors and the training program content, as well as the assessment of their separate and collective impacts on performance, that training components are responsible for more than half of an employee's performance. In detail, training accounts for 38.7% of performance variance, training content for 51.4%, and overall training for 53.1%, which confirms the need for careful consideration of the design and the quality of training programs. The employees consider the training programs to be essential to enhance their own competencies, both technical and relational, to do their job more quickly, accurately, and professionally, while committing fewer mistakes, and improving their work-related problem-solving abilities. The impact of the training programs on the younger and mid-career levels is especially significant, which further justifies the need to focus on these age brackets. Consistent with earlier research conducted in various Arab countries and industries, this research adds to the existing consensus around the importance of training for organizations wishing to remain competitively relevant in the ever-changing marketplace (2; 10; 3; 9). The significant implication for training with institutions like Jumhouria Bank is that it needs to be streamlined as a function of strategy with the right set of resources and more aligned with the institution's goals and emerging technology. The focus needs to be on specialized training content in areas like digital banking and cybersecurity, the use of modern interactive e-learning methods, training outcome and incentive system alignment, and improving the workplace to better support the use of newly acquired skills. Future studies could build on this work by conducting longitudinal studies to better understand the impact of training over time, using objective measures of performance in addition to self-reporting, and juxtaposing multiple branches/banks in order to make more expansive conclusions for the industry.

Authors' Contributions

Seham Ali Abdullah Al-Milayan conceived and designed the study, created the questionnaire, gathered data from Jumhouria Bank, Tarhuna branch, and conducted the statistical analysis. Hisham Al-Mazoughi supervised the research design, collaborated on improving the theoretical framework and methodology, and made significant revisions to the manuscript. The authors collaborated on the final version of the manuscript and assumed full responsibility for all elements of the research.

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Conflict of Interests

The authors declare that there are no conflicts of interest pertaining to the publication and conduct of this research.

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