The Impact of Training on Employees Performance in Small and Medium Enterprises Sector in Sri Lanka

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It has become a fact that is widely accepted that small and medium enterprises (SMEs) play a very important role in contributing to economic development in many countries. Specially, SMEs are major source of employment and production of food and also the main livelihood of rural Sri Lanka. Though, one third of Sri Lankan population depend on SMEs, it was very cleary pointed that a vast majority of them are ill performed. lack of employee training and consequent lack of employee performance is ferequeltly shown as the major reseason behind this low performance. This study attempted to study whether there is singinificant contribution of training on employee performance. The main objective of training is to help the organization achieve its objectives by adding value to its key assets: the people who are employed. The independent variables of training was divided into seven sub variables such as method of training; delivery style of training; investment on training; duration of the training (number of training hours); quality of training; training schedule and training design. A random sample of 200 was selected to execute the questionnaire and the data were collected. the response rate was 100%. Data evaluated and analyzed by using descriptive statistics and binary logistic regression. The results revealed that there was a significant relationship among method of training, delivery style of training, investment on training and training design with employee performance in SMEs sector. But there was no significant relationship among duration of training, quality of training and training schedule with employee performance. Ovearall the results confirmed that training is significantly impacted on the performance of employees. The findings can be useful to Human Resource Managers, Human Resources policy decision makers as well as government and academic institutions. Future research may replicate the present study and expand it including other related causes which impact on employee performance such as subjective factors.

Keywords: binary logistic model; employee performance; small and medium enterprises; training