

The Impact of Training and Development on Intrapreneurial Behavior

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ABSTRACT

The purpose of this study is to screen the data of the study and conduct a preliminary analysis on the relationship between training and development and intrapreneurial behavior. A sum of 600 questionnaires were distributed to the employees in oil and gas industry in Iraq. The proportionate stratified sampling method was used; equally all necessary processes were followed to satisfy the multivariate analysis assumptions. The internal consistency, convergent validity and discriminant validity were all tested. The data were arranged in the smart pls software version 3.2.8. The result shows the data of training and development have a significant impact on intrapreneurial behaviour.

Keywords : Impact, Training, Development, Intrapreneurial Behavior

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Introduction

Nowadays the growing needs to understand the effects of the human resources practices (HRP) and intrapreneurial behavior (IB) on organizational performance have been expedited globally. The increasing pressures and competitions between the globalized organizations are led to efficient studies on HRP and IB. The current study aims to explain employees' intrapreneurial behaviors by focusing on the human resource practices such as training and development. Based on the literature review and conceptualizations of the concepts, it is found meaningful to examine the relationship between training and development and intrapreneurial behaviours in oil and gas industry in Iraq. Thus, the main concerns of this study are understanding the influence of training and development on intrapreneurial behaviours.

Literature Review

Training and development

Training can be defined as one of the investments on the human assets of the organization (José Chambel and Sobral, 2011; Noe, 2003). It can also be considered as the useful means which will help to foster change through demographic shifts, market competition, restructuring of the organization and the technological innovation (Martínez-Ros and Orfila-Sintes, 2012). employees are required to continuously update their knowledge, skills, and work habits, and organizations to invest highly in the development of their human capital (Ilgen and Pulakos, 1999). Training and development are a systematic process to improve the efficiency of people by enhancing their work-related skills and skills (Swanson, 2001). Training relates to the method of conveying certain abilities, while development relates to the learning chances generated to assist increase the growth of staff.

Intrapreneurial behavior

Intrapreneurial behaviour defined as the search for new or innovative solutions to the problems faced by the firm, and the enhancement or development of new and old services/products, administrative techniques, markets and technologies for carrying out functions in the firm, as well as seeking ways to outperform competitors and create strategic changes (Antonic and Hisrich, 2003). intrapreneurial behaviour is defined as the employee's voluntary behaviour to search for innovative ways to improve the organization's performance (Valsania, Moriano, and Molero, 2016). The intrapreneurial behavior (IB) concept is labelled as employee behavior which is represented by innovativeness, taking risk, and proactiveness (Antonic and Hisrich, 2003; Covin and Slevin, 1991; Taştan and Güçel, 2014). IB the combination of staff innovativeness, proactiveness and taking risk, (De Jong, Parker, Wennekers, and Wu, 2011). EO differs with IB only by the level analysis, while the earlier focused on the firm level analysis the later focuses on the employee level of analysis.

Training and Development (TandD)- Intrapreneurial Behavior

According to (Tharenou, Saks, and Moore, 2007) the goal of training is to enhance the organization effectiveness. It also demands an influence on employee's performance, as well as in relation to organizational performance which is mediated by means of employee's performance. (Bishop, 1994; Black and Lynch, 1996) indicated that employer-provided training raises subjective productivity measure by almost 16%. Stressing the importance of career training development, (Evans and Lindsay, 1999) reported that the massive training program embarked upon at the Coors Brewing Company in Golden, Colorado, resulted in improved employees passion for the job and pride in their jobs, which translated into measurable improvements in productivity, a remarkably low turnover rate, and the delivery of quality product and service. (Aguinis and Kraiger, 2009) said that training improves the overall organization profitability, effectiveness, productivity, and revenue and other outcomes that are directly related to the training in improving the quality of services.

Thus, we also argue that human resource practices such as training and development have a significant effect on Intrapreneurial Behaviour (innovativeness, proactiveness and risk taking) of employees. based on the discussion above, the following hypothesis is formulated for the study.

Research Objective

The purpose of this study is to screen the data of the study and conduct a preliminary analysis on the relationship between training and development and intrapreneurial behavior.

Hypothesis

There is a significant relationship between the Training and Development on Intrapreneurial Behaviour

Research Methodology

Research Design

This research was designed by using a quantitative research methodology. So, a questionnaire was applied to collect data.

Sample

The sample used in this research was 600 employees in oil and gas industry in Iraq. The initial sample size for this research is consisted of 600 respondents. This sample size is concluded from the targeted companies. However, 23 responders are removed from analysis due to the failure of answering more than 30 % of the questionnaire items. Then, the final sample size for this study is consisted of 382 people. Table 1 summaries the data analysis screening for this work.

Table 1 Data Analysis Screening

Description	Count
Total survey distributed	600
Survey Answered	410
Less than 30% answers	23
Valid survey	387
Final survey selected for analysis	382

The sample included 13.6 % of females and 86.4 % of males. The highest number age of employees was between (26-30 years) with 52.6%, Additionally, 38.5% of the sample have high academic qualification (Master and Doctorate), 52.9 % of the responders have degree certificates, and 5.7 % have diploma certificates.

Research Instrument

A questionnaire was applied to collect data. The scale of training and development is adopted (Sam Jayakumar and A, 2014; Umasankar, 2015). The scale of training and development consisted of 7-items questionnaire. Also, the scale of Intrapreneurial Behavior is adopted from (Farrukh, Chong, Mansori, and Ravan Ramzani, 2017) to measure the employee's perception. It was conceptualized as second order reflective-reflective model. The scale of Intrapreneurial Behavior and consisted three groups innovativeness (5-items), proactiveness (4-items) and risk taking (4-items).

The proportionate stratified sampling method was used; equally all necessary processes were followed to satisfy the multivariate analysis assumptions. The internal consistency, convergent validity and discriminant validity were all tested.

Data Collection

A sum of 600 questionnaires were distributed to the employees in oil and gas industry in Iraq. To collect information, a survey questionnaire is was distributed to three major oil and gas companies in Iraq. The total number of employees in the selected companies are 61,387 employees. The questionnaire paper is manually administrated to all departments of these targeted companies.

Data Analysis

The data were arranged in the smart pls software version 3.2.8. As for a data analysis technique, to run the statistical test for testing hypothesis, this study used PLS SEM technique's SEM is two stage process and is widely used in the previous studies (Farrukh et al., 2017; Farrukh, Lee, and Shahzad, 2019; Farrukh, Wei Ying, and Abdallah Ahmed, 2016). In the first stage measurement model is assessed by investigating the Internal Consistency Reliability Convergent Validity and Discriminant Validity.

For internal consistency, composite reliability (CR) was used. The value of CR above 0.70 is considered satisfactory. Another criterion for assessment of measurement model is Convergent Validity (CV). Convergent validity was assessed by examining the Average Variance Extracted (AVE) of each latent construct, as suggested by (Fornell and Larcker, 1981). The threshold value for AVE is 0.50.

Findings

As indicated in table 2, all the threshold values of the measurement model evaluation were archived.

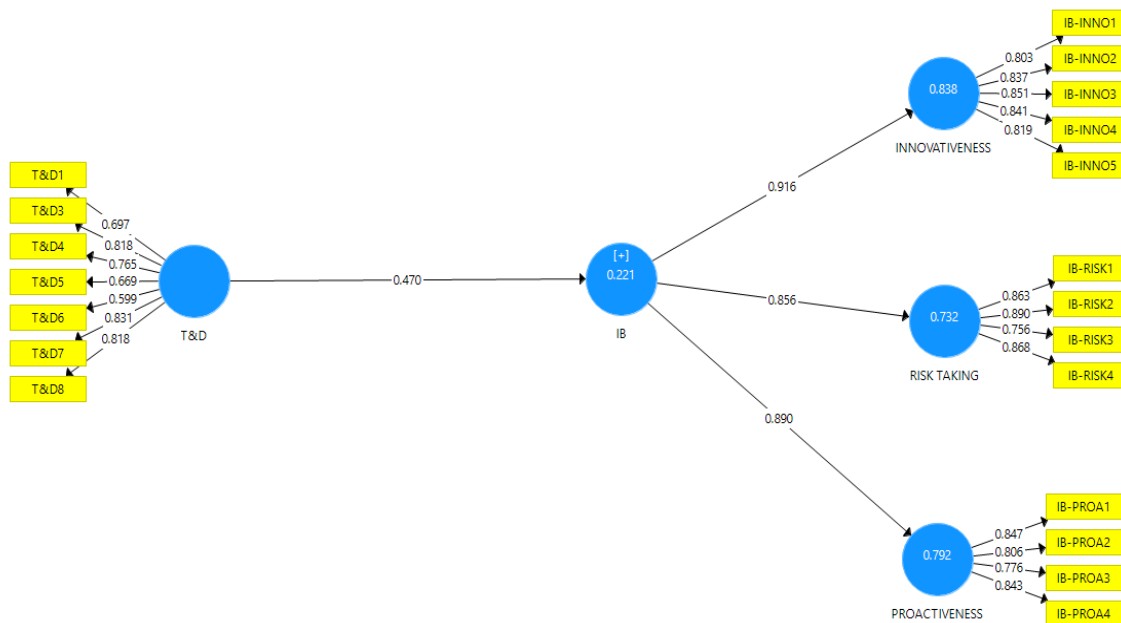


Figure 1 Assessment Model

Table 2 Assessment Model summary

2nd Order	1st order	Items	Loadings	AVE	CR
IB	Risk Taking	IB-RISK1	0.863	0.715	0.909
		IB-RISK2	0.890		
		IB-RISK3	0.756		
		IB-RISK4	0.868		
	Innovativeness	IB-INNO1	0.803	0.690	0.917
		IB-INNO2	0.837		
		IB-INNO3	0.851		
		IB-INNO4	0.841		
		IB-INNO5	0.819		
	Proactiveness	IB-PROA1	0.847	0.670	0.890
		IB-PROA2	0.806		
		IB-PROA3	0.776		
		IB-PROA4	0.843		
	Training and Development	TandD1	0.697	0.558	0.897
		TandD3	0.818		
		TandD4	0.765		
		TandD5	0.669		
		TandD6	0.599		
		TandD7	0.831		
		TandD8	0.818		

Discriminant validity is another criterion of measurement model evaluation. In this study DV was ascertained by using (Fornell and Larcker, 1981) criteria. This was achieved by comparing the correlations among the latent constructs with square roots of average variance extracted (Fornell and Larcker, 1981). Table 3 shows that all the threshold values of DV were achieved

Table 3 Discriminant validity

	Innovativeness	Proactiveness	Risk taking	TandD
Innovativeness	0.831			
Proactiveness	0.737	0.819		
Risk taking	0.653	0.657	0.846	
TandD	0.443	0.411	0.392	0.747

As for an assessment of significance of the structural model, after evaluating the measurement model, the next step in PLS-SEM is the assessment of the significance of the path coefficient in the structural model. The present study also applied the standard bootstrapping procedure with a number of 5000 bootstrap samples.

Table 4 shows the results of bootstrapping.

Table 4 Hypothesis testing

Hypothesis	Path	Path Coefficient	T Statistics (O/STDEV)	P Values
H1	HandD → IB	0.470	8.920	0.000

Discussion and Conclusion

Training and development are structured to guarantee the proper improvement of qualified staff. measuring training and development (TandD), the current study defined eight items. The findings of the current study express that the effect of training and development on intrapreneurial behaviour is positive and significant (t-value= 8.920, $P < 0.000$).

This finding is consistent with the findings in previous studies, which cited training and development as a factor that influences on the innovativeness, proactiveness and risk taking (Aguinis and Kraiger, 2009; Bishop, 1994; Black and Lynch, 1996; Evans and Lindsay, 1999; Tharenou et al., 2007). Based on the result of the study, increasing training and development can effect on intrapreneurial behaviour in the oil and gas in Iraqi sector. The current study finds training and development as a set of activities for facilitating the capabilities, accepting or learning new knowledge and skills to improve innovativeness among the employees inside the organization.

On the other hand, some organizations use training activities for the new employees to get familiar with the job specific skills required in the organization and some provide a performance appraisal mechanism to identify training needs inside of the organization all these activities enhance and improve the quality of the employees which directly helps the employees to be more proactive. Investment in training and development can develop the expertise of employees in organization which makes them more willing to take the risk as they are more trained., moreover provides permanent sources of ideas. Therefore, the results of the current study provide sufficient evidence to establish the relationship between training and intrapreneurial behaviour.

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