A STUDY OF FORMAL EDUCATION PROGRAM VI-SA-VI THE TYPE OF SECTOR

Nikitha Prabhu

Abstract

Examines formal education and its contributions to the development of human resources in organizations. Advances the main idea that formal education has contributed significantly in developing the skills of employees in areas such as motivation, leadership, job design, communication and labour law. It would have been difficult to organize work in a systematic manner without formal education. Formal education therefore is the pillar on which the “wheel” of organizations is made to spin. The world is changing very fast with new technologies resulting in the replacement of traditional work methods by new types of job and new forms of working which require a different combination of skills. In this world of growing uncertainty many managers have become aware of the need for their businesses to search for new answers to problems of productivity and quality. In conjunction with this change, individuals are now being forced to take charge of their own continuous learning to have a different combination of skills required. The skills of employees are fundamental to the success of a business. Business and employees have a shared interest in increasing skill levels. For the business, it helps with their aim to increase performance, and for the employee, now being forced to manage their own futures by taking charge of their own learning it assists with maintaining and increasing their employability, professional competence and earning potential thereby helping future job prospects. A recent study concluded that most managers have understood that business or management qualifications will become more crucial because of a need for more broadly based business knowledge, because of the growth in managers’ responsibilities and because there is more competition for jobs. Continuous formal education and development are important so that an individual has the knowledge and skills required to meet changing business needs.
INTRODUCTION:

Talent Management, as the name itself suggests is managing the ability, competency and power of employees within an organization. The concept is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of your employees and developing and nurturing them to get the desired results. Hiring the best talent from the industry may be a big concern for the organizations today but retaining them and most importantly, transitioning them according to the culture of the organization and getting the best out of them is a much bigger concern.

Talent Management in organizations is not just limited to attracting the best people from the industry but it is a continuous process that involves sourcing, hiring, developing, retaining and promoting them while meeting the organization’s requirements simultaneously. For instance, if an organization wants the best talent of its competitor to work with it, it needs to attract that person and offer him something that is far beyond his imagination to come and join and then stick to the organization. Only hiring him does not solve the purpose but getting the things done from him is the main task. Therefore, it can be said that talent management is a full-fledged process that not only controls the entry of an employee but also his or her exit. We all know that it’s people who take the organization to the next level. To achieve success in business, the most important thing is to recognize the talent that can accompany you in achieving your goal. Attracting them to work for you and strategically fitting them at a right place in your organization is the next step. It is to be remembered that placing a candidate at a wrong place can multiply your problems regardless of the qualifications, skills, abilities and competency of that person. How brilliant he or she may be, but placing them at a wrong place defeats your sole purpose. The process of talent management is incomplete if you’re unable to fit the best talent of the industry at the place where he or she should be.

Some organizations may find the whole process very unethical especially who are at the giving end who loses their high-worth employee. But in this cut-throat competition where survival is a big question mark, the whole concept sounds fair. Every organization requires the best talent to survive and remain ahead in competition. Talent is the most important factor that drives an organization and takes it to a higher level, and therefore, cannot be compromised at all. It won’t be exaggerating saying talent management as a never-ending war for talent! One of the component of talent management practice is formal education program.

Formal education corresponds to a systematic, organized education model, structured and administered according to a given set of laws and norms. Formal education institutions are administratively, physically organized and require from students a minimum classroom attendance. Formal education, also known as formal training, is the process of integral education correlated stretching from primary education to secondary education and higher education. Formal education was seen as the necessary investment good in human capital which would produce ‘growth’ and therefore improved standards of life for all.
RESEARCH OBJECTIVE:

- To evaluate a study of formal education program vi-sa-vi the type of sector.
- To study how the organizations deliver a range of programs and events that showcase the achievements of young people and education.
- To review how effective is formal education in an organization.

Following are the proposed hypothesis:

Ha: More than 40% of domestic organization provide formal education program

Ha: Less than 25% of the respondents are completely satisfied with formal education programs

Ha: The type of sector is not independent of formal education program

Ha: The type of organization is not independent of providing formal education program

Ha: On an average the satisfaction level of respondents is partially satisfied with the sponsorship of formal education program

Ha: On an average the satisfaction level of respondents in the MNC’s is not neutral with formal education program

LITERATURE REVIEW:

According to Thomas J. Conlon (2004) -"A review of formal learning literature, theory and implications for practice in developing global professional competence", Journal of European Industrial Training. Formal learning's roots emerged from educational philosophers John Dewey, Kurt Lewin and Mary Parker Follett to theorists Malcolm Knowles and other successive researchers. This paper explores the background and definitions of formal learning and applications to the global workplace. Formal learning's challenges are applied to developing global professional competence, including theory, practice and policy implications. The paper argues that formal learning plays a considerable role in developing professional expertise in the workplace and private life, yet believes no current theoretical model exists to balance conflicts between the role of individual and organizational benefits in a global context

According to ARY GORMAN(April1991)-An associate dean and associate professor and Dennis Hanlon an assistant professor at the Faculty of Business Administration, Memorial University of New found land, Canada, and Wayne King is director of the P. J. Gardiner Institute
for Small Business Studies as well as an assistant professor at Memorial University of Newfoundland. This paper reviews the literature in the areas of entrepreneurship education, enterprise education and education for small business management. The review covers the period from 1985 to 1994 inclusive and is limited to mainstream journals that focus on entrepreneurship and small business. Theoretical and empirical papers are examined from the perspective of content and market focus. The paper also suggests directions for future research.

According to R. Ryan Nelson (Dec 1991) - The fundamental issues inherent to both practice and academics emanates from the need to know what knowledge and skills personnel must possess to successfully perform their jobs. This article addresses this issue by performing an educational needs assessment, one that considers the deficiencies of both IS and end-user personnel. To this end, an instrument has been developed, tested, and completed by 275 employees within eight different organizations. The findings of this study suggest that among six different knowledge and skill areas, both IS and end-user personnel are most deficient in the area of "general IS knowledge" (e.g., IS policies and plans, fit between IS and organization, etc.). In addition, IS personnel appear to be in need of more "organizational knowledge" (e.g., organizational goals and objectives, critical success factors, etc.). End users, on the other hand, seem to require more IS-related skills (e.g., data access, use of software packages, etc.). The implications of these findings for practitioners and academicians focus on finding ways to improve the education and training programs currently in place. Thus, in the absence of a better alternative, self-perception becomes a viable means for evaluating the educational needs of personnel.

**RESEARCH METHODOLOGY:**

The initial phase of the study consisted of exploratory research. The research is a Quantitative Research. The secondary data was collected through internet based sources. Further the study was conducted through a questionnaire (Google Form). This e-form was sent out to general population wherein the responses were recorded in Google spreadsheet. A total of 177 responses were received. For this purpose Non Probabilistic Sampling Techniques (Judgement sampling) were used to identify potential respondents. The data collected was analyzed using statistical test i.e. Test of Proportion, Test of Independence and Test of Means.
Domestic 67%
MNC 33%

Type of organisation

3 to 6 54%
6 to 9 21%
9 to 12 8%
12 & above 17%

Total years of experience
DATA ANALYSIS TESTS OF HYPOTHESIS:

Hypothesis 1: Test of proportion

<table>
<thead>
<tr>
<th>Ho: Less than 40% of domestic organization provide formal education program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ha: More than 40% of domestic organization provide formal education program</td>
</tr>
</tbody>
</table>

Ho: p<40%
Ha: p>40%

Test of proportion
Right tailed test
Alpha = 0.10
Probability = 0.9
Critical Value = 1.28

Calculating the Observed Value

|x = 59 |
| n = 116 |
| p' = 51% |
| P = 40% |
| q = 60% |
| p'-p = 11% |
| \sqrt{p\times q/n} = 0.05 |

\[ p'-p / \sqrt{p\times q/n} = 2.39 \]

Observed = 2.39

Observation: We reject the null. Therefore we can say that more than 40% of domestic organization provide formal education program

Insights: Knowledge and skills are important in human life which can be only achieved through formal education system. Reasons behind formal education program

Employees learning through formal education programs come up to speed faster once they start their jobs.

Large numbers of employees will learn the same information and/or processes at the same time.
Hypothesis 2: Test of proportion

<table>
<thead>
<tr>
<th>Ho:</th>
<th>More than 25% of the respondents are completely satisfied with formal education programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ha:</td>
<td>Less than 25% of the respondents are completely satisfied with formal education programs</td>
</tr>
</tbody>
</table>

Ho: >25%
Ha: <25%
Test of proportion
Left tailed test
Alpha=0.1
Probability=0.1
Critical value=(1.28)
Calculating the observed value
X=35
N=176
p'=20%
p =25%
q =75%
p'-p =-5%
sqrt(p*q)/n =0.03
p'-p=-1.57

**Observed**=-1.57

P-value=0.06
Alpha=0.1
Since 0.06<0.1-Value<alpha

Observation: We reject the null .Therefore we can say that less than 25% of respondents are completely satisfied with formal education program.

Insight: Formal education is necessary with the growing advancement. Therefore to enhance formal education the following can be done
Motivate the employees to own their career development .Provide flexible learning options
Deal with the short-shelf life of learning and development needs. It used to be that what you learned was valuable for years, but now, knowledge and skills can become obsolete within months.
Hypothesis 3: Test of Independence (Chi squared test)

Ho: The type of sector is independent of formal education program
Ha: The type of sector is not independent of formal education program

Formal education program

<table>
<thead>
<tr>
<th>Observed</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>12</td>
<td>17</td>
<td>29</td>
<td>16%</td>
</tr>
<tr>
<td>BPOs/KPOs</td>
<td>11</td>
<td>7</td>
<td>18</td>
<td>10%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>2%</td>
</tr>
<tr>
<td>Insurance &amp; Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>16</td>
<td>11</td>
<td>27</td>
<td>15%</td>
</tr>
<tr>
<td>IT</td>
<td>10</td>
<td>15</td>
<td>25</td>
<td>14%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7</td>
<td>12</td>
<td>19</td>
<td>11%</td>
</tr>
<tr>
<td>Others</td>
<td>23</td>
<td>31</td>
<td>54</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>81</strong></td>
<td><strong>95</strong></td>
<td><strong>176</strong></td>
<td><strong>31%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expected</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>13.35</td>
<td>15.65</td>
<td>29.00</td>
</tr>
<tr>
<td>BPOs/KPOs</td>
<td>8.28</td>
<td>9.72</td>
<td>18.00</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>1.84</td>
<td>2.16</td>
<td>4.00</td>
</tr>
<tr>
<td>Insurance &amp; Finance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>12.43</td>
<td>14.57</td>
<td>27.00</td>
</tr>
<tr>
<td>IT</td>
<td>11.51</td>
<td>13.49</td>
<td>25.00</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8.74</td>
<td>10.26</td>
<td>19.00</td>
</tr>
<tr>
<td>Others</td>
<td>24.85</td>
<td>29.15</td>
<td>54.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>81.00</strong></td>
<td><strong>95.00</strong></td>
<td><strong>176.00</strong></td>
</tr>
</tbody>
</table>
Chi Square Test

Right tailed test

Alpha=0.1

Probability=0.1

Critical Value= 10.64

Observed=5.1

P value- 0.53

0.53>0.1, p value> alpha

Observation: We fail to reject the null. Therefore we can say that the type of sector is independent of formal education.

Insight: Providing formal education to its employees not only motivates the employees but also benefits the company in many ways. Nowadays mostly all the sectors provide sponsorship for formal education due to advancement of technology etc.
Hypothesis 4: Test of Independence (Chi squared test)

**Ho** The type of organization is independent of providing formal education program

**Ha** The type of organization is not independent of providing formal education program

<table>
<thead>
<tr>
<th>Talent Management Practice</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Observed</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>57</td>
<td>59</td>
<td>116</td>
<td>0.66</td>
</tr>
<tr>
<td>MNC</td>
<td>23</td>
<td>33</td>
<td>56</td>
<td>0.32</td>
</tr>
<tr>
<td>(blank)</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>81</td>
<td>95</td>
<td>176</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expected</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>53.39</td>
<td>62.61</td>
<td>116.00</td>
</tr>
<tr>
<td>MNC</td>
<td>25.77</td>
<td>30.23</td>
<td>56.00</td>
</tr>
<tr>
<td>Grand Total</td>
<td>79.16</td>
<td>92.84</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(Fo-Fe)^2/Fe</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOMESTIC</td>
<td>0.24</td>
<td>0.21</td>
<td>0.45</td>
</tr>
<tr>
<td>MNC</td>
<td>0.30</td>
<td>0.25</td>
<td>0.55</td>
</tr>
<tr>
<td>Total</td>
<td>0.54</td>
<td>0.46</td>
<td>1.01</td>
</tr>
</tbody>
</table>

**Observation:** We fail to reject the null. That means the type of organization is independent of providing formal education.

**Insight:** Nowadays mostly all the organization provides formal education to its employees in order to motivate its employees. And it also benefits the organization by increased and advanced manpower. New ideas coming in
Hypothesis 5: Test of Means

**Ho:** On an average the satisfaction level of respondents is partially satisfied with the sponsorship of formal education program

**Ha:** On an average the satisfaction level of respondents is not partially satisfied with the sponsorship of formal education program

Ho: $\mu=4$

Ha: $\mu\neq4$

Test of means

Two tailed test

Alpha = 0.1

Probability=0.1

$T_{critical}=(1.65)$

Calculating observed value

$x' = 3.2$

$\mu = 4$

$x'-\mu = (0.8)$

$s = 1.51$

$n = 176$

$x'-\mu$

$s/sqrt(n) = (0.04)$

$t_{observed}=(0.04)$

Observation: We reject the null. Therefore we can say that the satisfaction level of respondent’s is partially satisfied with the sponsorship of formal education program.

Insights: The reason we can say behind the level of respondents is partially satisfied is because the employees are not an opportunity to speak their mind. It is not only important to accept the input of the employee but also act on it to make the workplace better. The employees should be motivated by giving additional benefits.
Hypothesis 6: Test of Means

**Ho**: On an average the satisfaction level of respondents in the MNC’s is neutral with formal education program

**Ha**: On an average the satisfaction level of respondents in the MNC’ is not neutral with formal education program

Ho $\mu = 3$
Ha $\mu \neq 3$
Test of means
Two Tailed test
Alpha= 0.1
Probability = 0.1
$T\text{ critical} = (1.645)$
Calculating observed value

$x' = 2.893$
$\mu = 3$
$x' - \mu = (0.107)$
$s = 1.51$
$n = 176$
$x' - \mu (0.005)$
$s/sqrt(n)$
$t\text{ observed} = (0.01)$

Observation: We reject the null. Therefore we can say that the average satisfaction level of respondents in MNC’ is not neutral with formal education program.

Insights: From the above we can say that the employees can be partially satisfied or completely satisfied with the current formal education program. MNC’s have a competitive advantage over other organization due to their global presence. MNC’s invest significantly in the formal education program in order to enhance the career of the employees due to changing work environment. Also due to changes in technology, there is requirement for skilled employees.
CONCLUSION:

To summarize nowadays most of the organizations provide formal education. Formal education allows healthy competition among employees. The desire to get ahead and do the best in terms of various activities among individual employees and enable them to compete in a healthy way. Learning through formal training programs come up to speed faster once they start their jobs. Formal education teaches employees to set individual goals to achieve. It broadens their horizon and enables them to think and create situations and opportunities where they can succeed. Moreover, formal education provides a structured life to individual employees preparing them for the future. Considering these factors formal education indeed paves ways for many employees.

LIMITATIONS:

The data collection was carried only through e-forms. Hence the respondents sample may not be a true representation of the population. Most of the study was conducted through online forms so offline users responses were not part of the research. Since we opted to survey a sample rather than the entire population our conclusions may not be accurate.

REFERENCE:

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- https://www.jstor.org/stable/249454?seq=1#page_scan_tab_contents