NEAR EAST UNIVERSITY

Faculty of Economics and Administrative Sciences
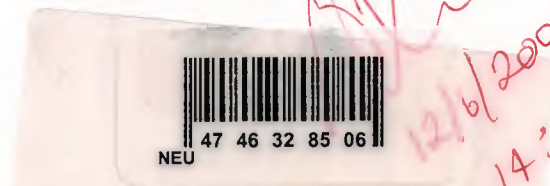
Department of Business

MAN 400

" Human Resource Management and Employee Training and Development"

Submitted by: Onur Başkılıç 970214

Submitted to: Ms. Şerife Zihni Eyüpoğlu

Date: June 12th, 2002

Achknowledgement

In the preparation of this study, I want to thank the instructor of Human Resource

Management, Ms. Şerife Zihni Eyüpoğlu because of her contributions of my project, The

Human Resource Manager of KKTCELL, Ms. Şirin Güryay, and Human Resource Manager

of KKTC TELSİM, Ms. Melek Uysal for giving information about human resource activities

of the organizations.

ABSTRACT

Until recently human resource management was not considered to play much of a role in contributing to goal achievement and successful implementation of plans. However, this has now changed and it has been recognized that human resource management play a major role in helping organizations gain a competitive advantage.

It has been realized that the most successful organizations today rely not on technology or strategic position for their sustained competitive advantage but on how they manage their workforce.

The purpose of this study is to emphasize the importance of human resource management practices for any organizations, and to illustrate in particular how the practices of training and development make major contributions to organization performance. Two organizations from the TRNC (Turkcell and Telsim) were selected for analysis. The analysis was based on their human resource management activities, especially training and development, and the relationship to organization performance.

TABLE OF CONTENT

ABSTRACT

TABLE OF GRAPHS

I. INTRODUCTION

1.1. Human Resource Management

1.1.1. Why Human Resource Management ?

The traditional way to think about gaining competitive advantage has been to focus on a company's financial, strategic, and technological capabilities.[1] However Dave Ulrich and Dale Lake argue that for contemporary businesses these traditional means of gaining competitive advantage must " be supplement by organizational capability-the firm's ability to manage people to gain competitive advantage." As well as competing just on price through financial capability, or product quality and innovation, high performing companies engage in a competition for the most capable employees. This competition is more that just simply hiring the best people. Organizational capability relates to hiring and retaining component employees and " developing those competencies through effective human resource practices."[2]

Human resource management (HRM) involves the policies and practices involved in carrying out the "people" or human resource aspects of a management position. This includes acquiring, training, appraising, and compensating employees, and attending to their labor relations, health and safety, and fairness concerns.

The importance of human resource management can also be seen from the statement made by a company president: " For many years it has been said that capital is the bottleneck for developing industry. I do not think this any longer holds true. I think it's the workforce and the company's ability to recruit and maintain a good workforce that does constitute the bottleneck for production. I do not know of any major project backed by good ideas, vigor, and enthusiasm that has been stopped by a shortage of cash. I do know of industries whose

---

[1] D. Ulrich and D. Lake, *Organizational capability* (New York: John Wiley & Sons, 1990).

[2] Ulrich and Lake, "Organizational Capability: Creating Competitive Advantage", p.77.

1

I. INTRODUCTION

1.1. Human Resource Management

1.1.1. Why Human Resource Management ?

The traditional way to think about gaining competitive advantage has been to focus on a company's financial, strategic, and technological capabilities.[1] However Dave Ulrich and Dale Lake argue that for contemporary businesses these traditional means of gaining competitive advantage must " be supplement by organizational capability-the firm's ability to manage people to gain competitive advantage." As well as competing just on price through financial capability, or product quality and innovation, high performing companies engage in a competition for the most capable employees. This competition is more that just simply hiring the best people. Organizational capability relates to hiring and retaining component employees and " developing those competencies through effective human resource practices."[2]

Human resource management (HRM) involves the policies and practices involved in carrying out the "people" or human resource aspects of a management position. This includes acquiring, training, appraising, and compensating employees, and attending to their labor relations, health and safety, and fairness concerns.

The importance of human resource management can also be seen from the statement made by a company president: " For many years it has been said that capital is the bottleneck for developing industry. I do not think this any longer holds true. I think it's the workforce and the company's ability to recruit and maintain a good workforce that does constitute the bottleneck for production. I do not know of any major project backed by good ideas, vigor, and enthusiasm that has been stopped by a shortage of cash. I do know of industries whose

---

[1] D. Ulrich and D. Lake, *Organizational capability* (New York: John Wiley & Sons, 1990).

[2] Ulrich and Lake, "Organizational Capability: Creating Competitive Advantage", p.77.

1

I. INTRODUCTION

1.1. Human Resource Management

1.1.1. Why Human Resource Management ?

The traditional way to think about gaining competitive advantage has been to focus on a company's financial, strategic, and technological capabilities.[1] However Dave Ulrich and Dale Lake argue that for contemporary businesses these traditional means of gaining competitive advantage must " be supplement by organizational capability-the firm's ability to manage people to gain competitive advantage." As well as competing just on price through financial capability, or product quality and innovation, high performing companies engage in a competition for the most capable employees. This competition is more that just simply hiring the best people. Organizational capability relates to hiring and retaining component employees and " developing those competencies through effective human resource practices."[2]

Human resource management (HRM) involves the policies and practices involved in carrying out the "people" or human resource aspects of a management position. This includes acquiring, training, appraising, and compensating employees, and attending to their labor relations, health and safety, and fairness concerns.

The importance of human resource management can also be seen from the statement made by a company president: " For many years it has been said that capital is the bottleneck for developing industry. I do not think this any longer holds true. I think it's the workforce and the company's ability to recruit and maintain a good workforce that does constitute the bottleneck for production. I do not know of any major project backed by good ideas, vigor, and enthusiasm that has been stopped by a shortage of cash. I do know of industries whose

---

[1] D. Ulrich and D. Lake, *Organizational capability* (New York: John Wiley & Sons, 1990).
[2] Ulrich and Lake, "Organizational Capability: Creating Competitive Advantage", p.77.

1

growth has been partly stopped or hampered because they can not maintain an efficient and enthusiastic labor force, and I think this will hold true even more in the future..."[3]

The term "human resource" refers to the people in an organization. Thus, when managers engage in HR activities as part of their jobs, they seek to facilitate the contribution people make to achieving an organization's strategies and plans. The importance of human resource efforts comes from the realization that people are the common element in every organization and that they create the strategies and innovations for which organizations are known.

Although human resource activities contribute to an organization's success in a variety of ways, ultimately they must support the company's strategies. This "strategic management of human resource" view requires that managers use human resource efforts to further the firm's competitive advantage through plans and actions focused on contributing to the economic, or "bottom line", success of the organization.

In other words, linking HRM with the strategic goals and objectives of an organization in order to improve organizational performance. Therefore, HR managers and the HRM departments and top management should design the organization's business strategy together. The strategy then provides the framework that guides the design of specific HR activities, such as recruiting and training. This should then produce the employee competencies and behaviors that in turn should help the organization implement the business strategy and achieve its goals and objectives.

---

[3] *Quoted in Fred K. Foulkes, "The Expanding Role of the Personnel Function", Harvard Business Review(* March-April 1975), p.71-84.

2

1.1.2. The Purpose of HRM

It can be said that the purpose of human resource management is to improve the productive contribution of people to the organization in ways that are strategically, ethically, and socially, responsible.

1.1.3. The Objectives of Human Resource Management

Managers and HR departments achieve their purpose by meeting objectives. Objectives are benchmarks against which actions are evaluated.

Human resource objectives not only need to reflect the intention of top management, but they also must balance challenges from the organization, the HR function, society, and the people who are affected. The objectives are;

a) Organizational objective: To recognize that HR department exist to contribute to organizational effectiveness. Even when a formal human resource department is created to help managers, the managers remain responsible for employee performance. The HR department exist to help managers achieve the objectives of the organizations.

b) Functional objective: To maintain the department's contribution at a level appropriate to the organization's needs. Resources are wasted when human resource management is more or less sophisticated the organization demands

c) Societal objective: To be ethically and socially responsive to the needs and challenges of society while minimizing the negative impact of such demands on the organization.

d) Personal objective: To assist employees in achieving their personal goals, at least insofar as those goals enhance the individual's contribution to the organization.

1.1.4. Human Resource Management Activities and Practices

To achieve their purpose and objectives, HR departments help managers obtain, develop, utilize, evaluate, maintain, and retain the right numbers and types of workers. As already mentioned, HR activities are actions that are taken to provide and maintain an appropriate work force for the organization.

Small companies may not have an HR department, and small employers with HR departments may lack large budgets and adequate numbers of staff members. These departments simply focus on the activities that are most important for the organizations. Large departments usually are "full-service" ones; they do all of the HRM activities.

```
┌──────────┐   ┌──────────────┐   ┌──────────┐        ┌──────────┐        ┌──────────┐   ┌──────────┐
│ Human    │   │ Human        │   │ Purpose  │        │ Other    │        │ Overal   │   │ Societal │
│ resource │──▶│ resource     │──▶│ of human │───────▶│ resources│        │ organizati│──▶│ needs    │
│ manage   │   │ objectives   │   │ resource │        └──────────┘        │ onal     │   │ and      │
│ ment     │   │ *societal    │   │ mngt.    │        ┌──────────┐        │ objectives│  │ challen  │
│ activities│  │ *organizati  │   └──────────┘───────▶│ Human    │───────▶│          │   │ ges      │
└──────────┘   │ onal         │                       │ resources│        └──────────┘   └──────────┘
               │ *functional  │                       └──────────┘
               │ *personal    │                       ┌──────────┐
               └──────────────┘                       │ Other    │
                                                      │ resources│
                                                      └──────────┘
                                          Feedback
```
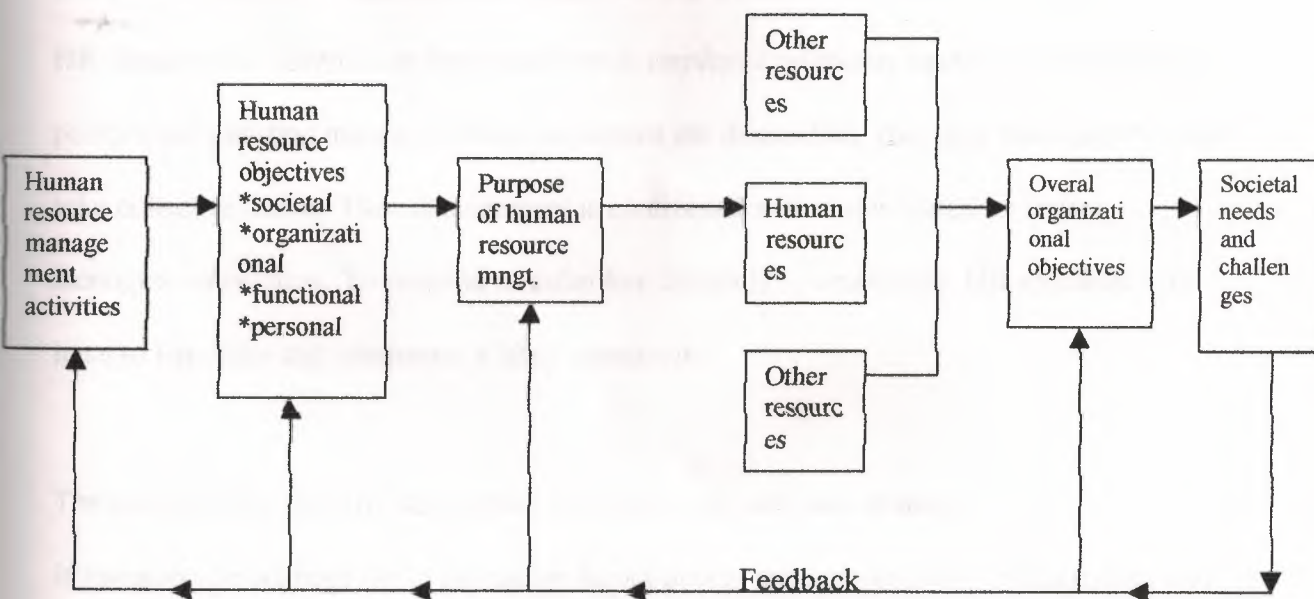
Figure 1.1. The response of Human Resource Management to Societal Needs and Challenges

4

As an organization becomes large, attempts are made to estimate its future human resource needs through an activity called *human resource planning*. With an eye toward future needs, *recruitment* seeks to secure job *applicants* to fill those needs. The result is a pool of applicants who are screened through a *selection* process. This process selects those people who meet the needs uncovered through HR planning.

New workers seldom meet the organization's needs exactly and so they must be *oriented* and *training* to perform effectively. As demand change, *placement* activities transfer, promote, demote, lay off, and even terminate workers. Subsequent HR plans reveal new staffing needs. These openings are filled through the recruitment of additional workers and the *development* of present employees.

Then individual performance is *appraised*. Not only does this activity evaluate how well people perform, it also indicates how well human resource activities have been done. Employees also must receive *compensation* in the form of wages, salaries, or incentives, along with employee benefits such as insurance and vacations.

HR departments also play an important role in *employee relations*, usually by establishing policies and assisting manager. When employees are dissatisfied, they may band together and take collective action. Then management is confronted with a new situation: *union-management relation*. To respond to collective demands by employees, HR specialist may have to negotiate and administer a labor agreement.

The responsibility for HR management activities rests with each manager.

If managers throughout the organization do not accept this responsibility, HR activities may be done only partially or not at all. Even when a human resource department is created within the organization, both operating managers and HR experts have dual responsibility for employee performance. Individual managers remain involved with planning, selection,

5

orientation, training, development, evaluation, compensation and other HR activities, even though they may be assisted by experts in the human resource department.

Figure 1.2. The Human Resource Department in a Small Organization

```
                          ┌─────────────┐
                          │  PRESİDENT  │
                          └─────────────┘
                                 │
                     ┌───────────┼───────────────┐
                     │  ┌──────────────────┐      │
                     │  │  Vise president  │      │
                     │  │  of human        │      │
                     │  │  resources       │      │
                     │  └──────────────────┘      │
```

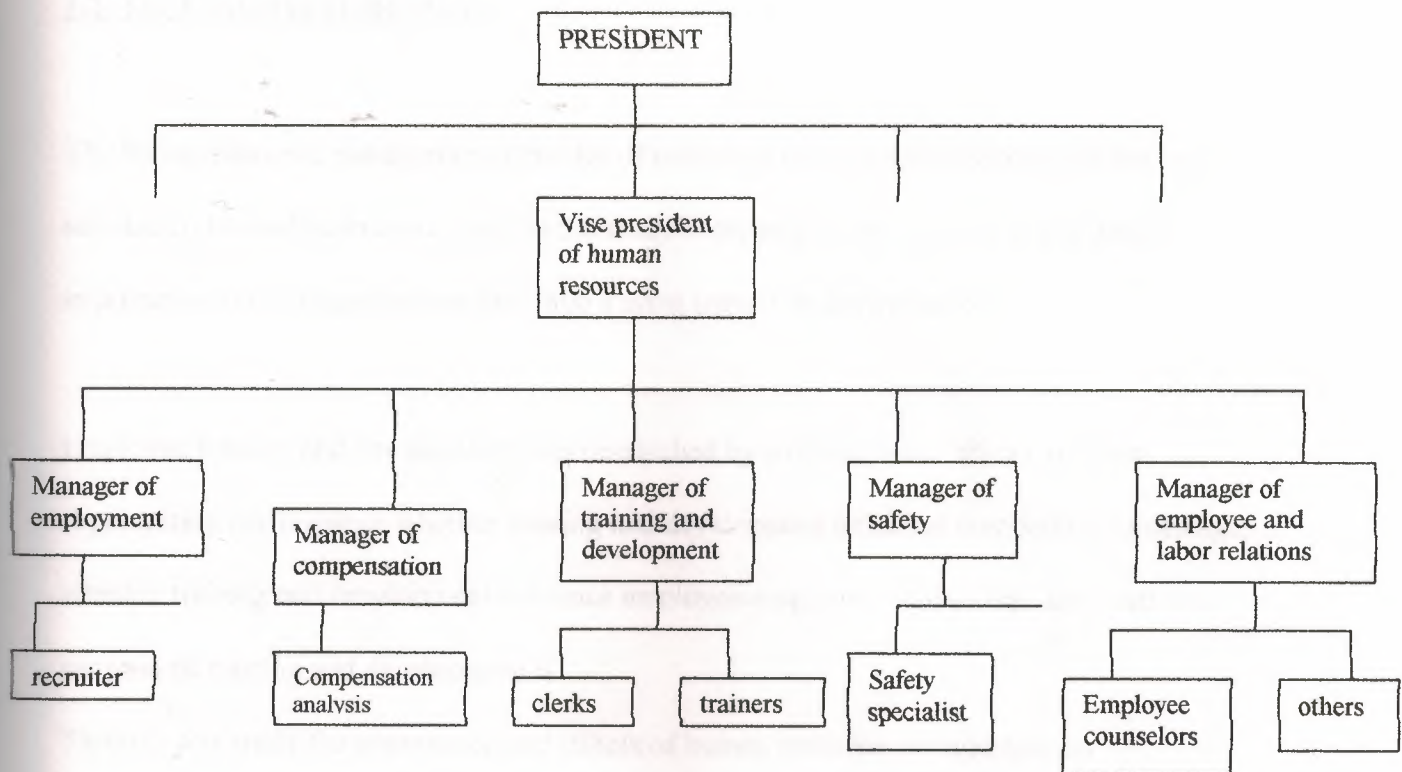| Manager of employment	Manager of compensation	Manager of training and development	Manager of safety	Manager of employee and labor relations
recruiter	Compensation analysis	clerks / trainers	Safety specialist	Employee counselors / others

Figure 1.3. The hierarchy of jobs within a Large Human Resource Department

The numbers may reflect the more "strategic" role played by this division today. Within the HR department there is hierarchy of jobs as shown in figure 1-3. The top job varies in importance and title in different organizations. When the department first is formed, the head of the department is often called a personnel or human resource manager, director or administrator.

Large human resource departments have a variety of positions. The manager of employment help other managers with recruiting and selection. The compensation manager establishes fair play system . The training and development manager provides guidance and programs who want to improve their human resource skills.

1.2. The Objective of the Study

The human resource management activities of employee training and development has been selected to be studied in more detail in the study because it is felt that they are of major importance to any organizations and have a great impact on performance.

Employee training and development was researched by studying what effects are a on organization performance whether training and development influence competitive advantage, whether training and development influence employee-employer relationship, and what the purpose of training and development is.

Through this study the importance and effects of human resource management on organizations performance is emphasized.

Organizations from the TRNC were selected for examination in study. The organizations selected were Turkcell and Telsim. The reason for this selection was because both organizations originate from Turkey thus will produce better results in the study and also the organizations are from the same industry allowing for sound comparison.

Each organization's HRM activities, especially training and development were studied, information being collected through interviews with the HR managers.

1.3. The Hypothesis of the Study

The hypothesis to be tested will be " Human resource practices, especially training and development, have a positive effect on organizations performance."

II. EVALUATION OF TRAINING AND DEVELOPMENT

2.1. The Background of Training and Development

Traditionally, training and development was not viewed as an activity that could help companies create "value" and successfully deal with competitive challenges. Today that view has changed. Companies that use innovative training and development practices are likely to report better financial performance than their competitors that do not, and also helps it to meet competitive challenges.

Training and development plays a key role in helping companies meet these challenges! Training is more inclusive that it used to be. Training used to focus mostly on teaching technical skills, such as training assemblers to solder wire. However, today this type of technical training is no longer enough. Organizations have to adapt to technological change, improve product and service quality, and boost productivity to remain competitive. This includes such programs as developing employee skills in team building, improving quality, decision making, communication, technological, computer skills and customer services.

One trainer stated: "we do not just concentrate on the traditional training objectives anymore. We sit down with management and help them identify strategic goals and objectives and the skills and knowledge needed to achieve them then we work together to identify whether our staff has the skills and knowledge, and when they do not, that's when we discuss training needs."[4]

Lack of investment in training is often cited as the reason why many firms are losing market share to foreign competition. For example, 66% of German workers are involved in training

---

[4] Christine Ellis and Sarah Gale, "A Seat at the Table", "Training, March 2001, p.90-96.

programs, and U.S. firms spend about one-third of what Japanese firms spend on worker training per year.[5]

Today, organizations and many others believe that investment in training can help them gain a competitive advantage because training can;

- Increase employees' knowledge of foreign competitors and cultures, which is critical for success in foreign markets.

- Help ensure that employees have basic skills to work with new technology, such as robots and computer-assisted manufacturing processes.

- Help employees understand how to work effectively in teams to contribute to product and service quality.

- Ensure that the company's culture emphasizes innovation, creativity, and learning.

- Ensure employment security by providing new ways of employees to contribute to the company with their jobs change, their interest change, or their skills become obsolete.[6]

To do so, companies need to train employees to work with persons from different cultures both in

the United Stated and abroad. New technologies such as web based training and multimedia reduce the cost associated with bringing employees to a control location for training.

At the same time, these training methods include the necessary conditions for learning to occur. Due to growth of the Internet, e-commerce has exploded on the business scene. Companies have recognized that training and development activities can be adopted for the Internet, reducing cost and increasing their effectiveness, resulting in the development of e-learning.

---

[5] *Chicago Tribune, June 14, 1992*, sec.1, p.18.
[6] Goldstain and P. Gilliam, "Training Systems Issues in the Year 2000", American Psychologist 45, (1990), p. 134-43.

The role of training has broadened beyond training program design. Effective instructional training remains important, but training managers, human resource experts, and trainers are increasingly being asked to create systems to motivate employees to learn, create knowledge, and share that knowledge with other employees in the company.

Also, the employee-employer relationship has changed. Due to rapidly changing business environment and competition that can quickly cause profits to shrink and skill needs to change, companies are reluctant to provide job security to employees. Companies want a work force that is motivated and productive, has up-to-date skills, and can quickly learn new skills needed to meet changing customer needs. Employees want to develop skills that not only are useful for their current jobs but also are congruent with their personal interests and values. Employees are interests in developing skills that can help them remain employable with either their current employer or a future one.

and planning how to demonstrate how training affects the "bottom line" (that is, using a cost-benefit analysis to determine the monetary benefits resulting from training). Step 6 involves choosing the training method based on learning objectives and learning environment. This may include a traditional training method of face-to-face interaction with a trainer or e-learning using CD-ROM or Web-based training. Step 7 involves evaluating the program and making changes in it or revisiting any of the earlier steps in the process to improve the program so that learning, behavior, change and the other learning objectives are obtained.

Training design process suggest that each step is completed before the next step in the process is started. The training design process should be systematic yet flexible enough to adapt to business needs. Different steps maybe completed simultaneously.

That is, have trainees acquired knowledge, skills, attitudes, behavior, or other outcomes identified in the training objectives. Summative evaluation may also include measuring the monetary benefits the company receives from the program. It usually involves collecting quantitative (numerical) data using test, rating of behavior, or objective measures of performance such as volume of sales, accidents, or patents.

2.5. Traditional Training Methods

These methods are "traditional" in the sense that they do not require new technology for delivery. Training methods can be organized into three broad categories: a) Presentation methods, b) Hands-on methods, and c) Group building methods.

a) Presentation methods refers to methods in which trainees are passive recipients of information. This information may include facts or information, processes, and problem solving methods. It includes lectures and audiovisual techniques.

- Lecture involves the trainer communicating through spoken words what she wants the trainees to learn. A lecture is one of the least expensive, least time consuming ways to present a large amount information efficiently in an organized manner. Lectures are also used to support other training methods such as behavior modeling and technology based techniques. The table below describes several variations of the standard lecture method.

Method	Description
Standard lecture	Trainer talks while trainees listen and absorb information
Team teaching	Two or more trainers present different topics or alternative views of the same topic
Guest speakers	Speaker visit the session for a predetermined time period. Primary instruction is conducted by the guest or speaker
Panels	Two or more speakers present information and ask question
Students' presentations	Groups of trainees present topics to the class

Table 2.1. Standard Lecture Method

19

- An audiovisual technique includes overheads, slides, and video. It has been used for improving communications skills, interviewing skills, and customer service skills and for illustrating how procedures should be followed. Video is used, however, rarely used alone.

b) A hand on methods refers to training methods that require trainee to be actively involved in learning. These methods include on-the-job training, simulations, case studies, business games, role-plays, and behavior modeling.

- On the job training refer to new or inexperienced employees learning through observing peers or managers performing the job and trying to imitate their behavior. On the job training (OJT) takes various form, including apprenticeship and self-directed learning programs. OJP is an attractive training method because, compared to other methods, it needs less investment in time or money for materials, trainer's salary. As a result, it may be tempting to let them conduct the training as they believe it should be done.

- Simulations are a training method that represents a real life situation; with trainees' decisions resulting in outcomes that mirror what would happen if they were on the job. Simulations, which allow trainees to see the impact of their decisions in an artificial risk-free environment, are used to teach production and process skills as well as management and interpersonal skills.

- Case studies are a description about how employees or an organization dealt with difficult situations. Trainees are required to analyze and critique the actions taken, indicating the appropriate actions and suggesting what might have been done differently steps process for case developments are (1) identify a story (2) gather information (3) prepare a story outline (4) decide on administrative issues (5) prepare case materials.

20

2.6. Some Examples of Training and Development

a) Training Evaluation; Filling Prescriptions: No Room for Error,

Pharmacy technicians wait on customers, take refill information over the phone from doctors, and provide customers with information regarding generic drugs in place of brand-name drugs when the two are identical (which cost the customers less money). At Walgreen Company, a training course for new technicians was developed to replace on-the-job training they received from the pharmacists who hired them. This course involved 20 hours of classroom training and 20 hours of supervision on the job. Since the company has several thousand stores, large amount of money and time were being invested in the training. As a result, the company decided to evaluate the program.

The evaluation consisted of comparing technicians who had completed the program with some who had not. Surveys asking questions about new employees' performance were sent to the pharmacists who supervised the technicians. Some questions related to speed of entering patient and drug data into the store computer and how often the technician offered the customers generic drug substitutes. In comparing the two groups, the results showed that formally trained technicians were more efficient and wasted less of the pharmacist's time than those who received traditional on-the-job training. Sales in pharmacies with formally trained technicians exceeded sales in pharmacies with on-the-job training technicians by an average of 9,500 dollar each year.[7]

b) Another example is about Employee Training and Development; Forces Affecting the Work place Make Training a Key Ingredient for company success.

---

[7] Raymond A. Noe, *Employee Training and Development*(New York: McGraw-Hill, 2001), p. 177.

Globalization, new technology, capturing employees' knowledge, employee retention, and growth these are some of the issues affecting companies and influencing training practices. Three companies, Rosewood Hotels and Resort, Kinko's and the Hard Rock Café are examples of how these concerns have affected business and have changed the role of training to help the business succeed.

Rosewood Hotels and Resorts are five star hotels emphasizing one of a kind ambiance and style. They are designed to enhance guests' experiences through creating a hospitable environment that reflects each location's culture, history, and geography. Rosewood's mission is to be recognized and respected as the consummate operator of ultra luxury hotels in desirable destinations throughout the world. The company believes its competitive advantage is its attention to architectural details, elegant interiors, and innovate culinary concepts that reflect the region. Common to all Rosewood Hotels are attention to detail, unparalleled quality, and personalized service.

Rosewood Hotels and Resorts have more than 3000 employees spread around the world. The company is planning to build new hotels and resorts to grow the business. As a result, Rosewood has little choice but to move training online.

Rosewood has developed an Internet site that includes a " talk café" in which employee from around the world can sit at virtual "tables" and join discussion groups. Employees can explore a full menu online learning opportunities, either within Rosewood's site or through links to other Internet sites. A "concierge corner" locates training events and other activities near Rosewood Hotels and Resorts.

Based in California, Kinko's is a privately held corporation with more than 25000 workers worldwide. Kinko's currently operates more than 900 retail locations in the United States, Canada, the Netherlands, Japan, South Korea, Australia, the United Arab Emirates, China, and Great Britain. Copy center business used to be based on customers bringing in documents and getting them copied and bound. Now Kinko's is planning to use an electronic network to send electronic files from branch to branch. A file can be sent to ant branch in the world, printed out locally, and delivered to the customer when he needs it. As a result, Kinko's has been investing large amounts of money in training to help employees understand how the business has changed. For example, 1300 employees participated in a digital training simulation in Honolulu. The training involved a game focused on the digital aspect of how the business will be run and dealt with the sales cycle, product fulfillment and presentation. Kinko's key business partners (Xerox and Hewlett-Packard) were also included in the training so they could understand what they need to do to support Kinko's customers.

The Hard Rock Café is updating its image to attract more guests. Its training department is playing an important role in that transformation. The Hard Rock Café offers premium-quality classic American food in a unique high-energy, music-memorabilia-packed atmosphere. The company realizes that its loyal guests are between the ages of 35 and 55. The Hard Rock Café needs to attract a teenage customer base if it is to survive in the future. The teenage generation is more interested in Kid Rock than classic rock such as Beatles and Rolling Stones. So the Hard Rock is looking for memorabilia from current bands. Besides focusing on food, beverage and retail training, staff-member training will include knowledge. That is, staff-member training will involve learning the stories behind the memorabilia found in each café. As the corporate training manager explains, "Hendrix was Cobain's idol, When a server can share that with the guests, a father and son can suddenly relate to the same display". In

addition to its responsibility for training, the training team will serve as a "change agent".
That is, the training team's job is to get the whole company into the mind setoff the new Hard
Rock Café experience.[8]

_____

[8] Raymond A. Noe, *Employee Training and Development*(New York: McGraw-Hill, 2001), p.1.

III. FINDINGS OF THE STUDY

3.1. KKTC Telsim

3.1.1. Its History

KKTC Telsim has been realized as the biggest private sector investment in the TRNC. The organization was the first telecommunication sector in the KKTC and was established in August 1995 as a contract of Mobil Telephone and International Telephone Operator(Gateway). The KKTC Telsim has had subscribers since October 23 1995. The 1000th subscriber has been recorded in December 28 1995. Now the approximate market share of Telsim is 54 % with 72,653-subscriber at the end of December 2000. KKTC Telsim presents to their customers such services such as SMS, Wap, Fax Data, discounts on 50 % etc. Today the communication sector is growing up every day. The KKTC Telsim ensured all possibilities of GSM telephone technology to KKTC people to start in Europe and then spreading all over the world. The organization is serving the purpose of uninterrupted connection and superior service. The biggest objective of the organization is to ensure the best system use to subscribers and to increase the pleasure of customers more.

3.1.2. Telsim's Human Resource Management Activities

The organization's human resource manager is Ms. Melek Uysal. According to the human resource manager the human resource department's responsibility is "assessing the suitability of applicants to the organizations".

Job applicants first of all complete an application form at the human resource department. The department according to the applicant's then assesses their job-related knowledge, languages, and general culture. The human resource manager then interviews suitable applicants. As a result of these steps the most suitable applicants are chosen for employment by line manager. New employees are given information on the organization's culture, customer service, and the operation of the telecommunication system. This can be considered a kind of orientation.

When it comes to training and development activities, Telsim gives training and development to all of its employees. Basic training is given to its normal personnel. This training involves giving them training on such issues as improvement of customer services, operation of the telecommunication systems, accounting and marketing. These basic training issues are prepared and conducted by Ms. Melek Uysal and held in such institutes as Anadolu Ecevit High School, Lefkose Turkish High School. Training durations does not have a specific period of time, and changes from one week or more. Sometimes personnel may be sent to attend international fairs about Information Systems and Technology Developments in the Telecommunication Industry.

The human resource manager conducts pro-training evaluation. The evaluation is done in an interview form in which the HR manager asks the trainee about what has been learnt in the training program and what are the benefits gained. Also the HR manager monitors the

performance of the employee for a period of time after training to see whether the employee has transferred what has been learnt to the job.

According to Ms. Melek Uysal, training and development has a positive effect on organization performance. She states that the organization's sales and customer potential has increased as a result of training and development activities.

Also an improvement in employee performance has been seen. Figure shows that organizational chart of Telsim.
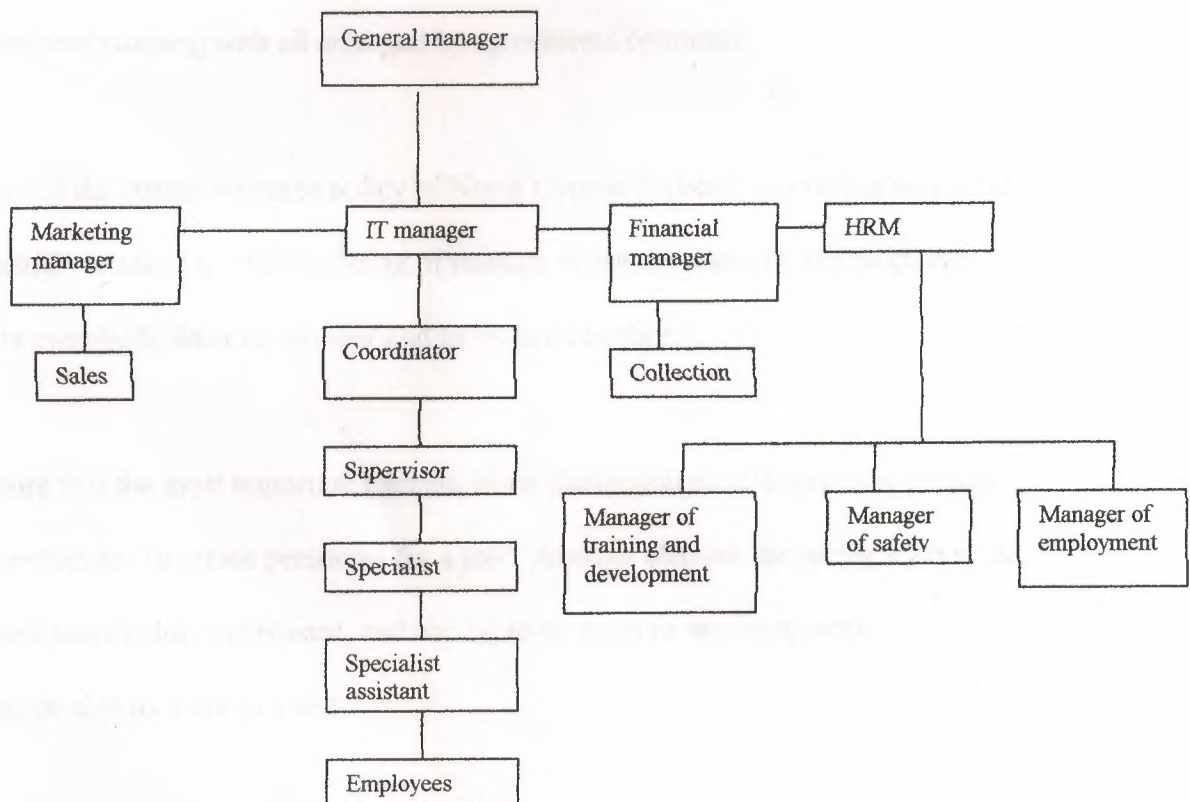

Figure 3.1. Organizational Chart of KKTC Telsim

3.2. KKTCELL

3.2.1. Its History

KKTCELL is located in this wide mobile connection sector as Turkcell's 4th International participation in 24 July 1999. KKTCELL is the second telecommunication investment in the TRNC. The mission of North Cyprus Turkcell is to offer quality mobile connection with educational and expert personnel, and the continuous in people and technology. KKTCELL has been covered 95 % of the island, 97% of the population. Some services offered by KKTCELL are SMS, 8787 clever secretary, 8785 unknown numbers, 8780 information services, WAP services, and fax-data etc. and continued to ensure uninterrupted connection, unlimited services. KKTCELL has reached 59,329 subscriber by the end of December 2000 and after just 20 months of operation has gained a 46% market share. The organization also provides international roaming with all arranged by agreements operators.

The main approach the human resource policy of North Cyprus Turkcell; in existing sector "at the world standard" to adopt to understanding of manage of human resource and to create society which is everybody want to member and to pride a member.

In order to ensure that the most important element when the organization engage the person, "not a job for person but to create personnel for a job". Another element for taking a job is the person must have knowledge, experience, and ability, to be open to newness, work excitement, and be able to work in a team.

The objective of KKTCELL family is to continue organization and employee's development, productivity toward Turkcell's common beliefs and values.

In order the reach this objective KKTCELL support all employees to the direction of quality, ability and ensure to answer their customer needs and wants.

3.2.2. KKTCCELL's Human Resource Management Activities

The organization's human resource manager is Ms. Sirin Guryay. The human resource manager responsible training, designing the training programs and to select suitable applicants. The department asses applicants before take them with an exam about general culture, work and language and select one or more applicant then human resource manager interview with them. As a result of these step the applicants has been chosen by human resource manager send him/her to line manager. The line manager select the most suitable applicant.

KKTCELL gives training and development all of its employees. This trainings are as improvement of customer service, telecommunication, marketing and accounting etc. These basic training issues are prepared and conducted by Sirin Guryay and then held in at the main center of KKTCELL by Havva Kasımoglu. She is the human resource coordinator. Training durations depend on applicant's ability, knowledge and experience.

KKTCELL develops its main personnel by sending them to fairs and seminars about telecommunication, info-process, technology developments. The training evaluation is done in face to face form about training program and also include working conditions, salary. According to Ms. Sirin Guryay training and development has a positive effect on organization performance and employee performance. Figure shows that organizational chart of KKTCELL.
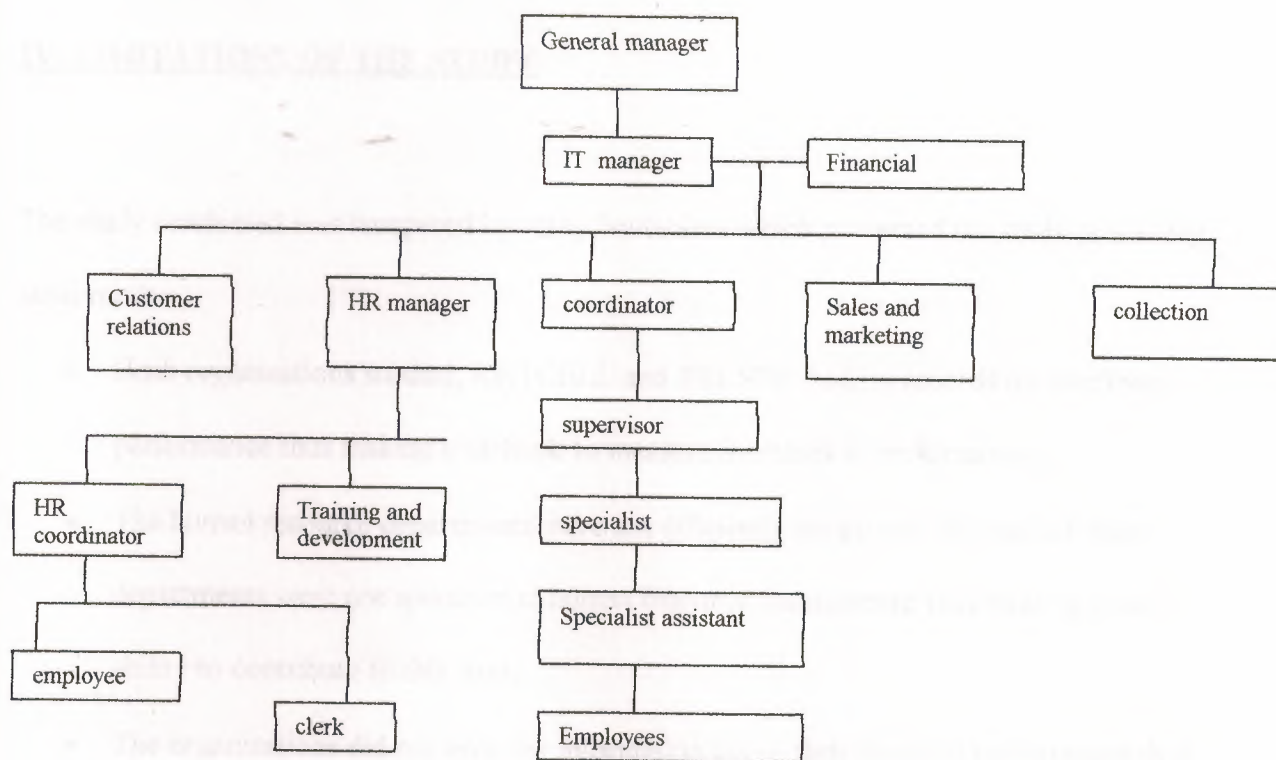
General manager

IT manager — Financial

Customer relations | HR manager | coordinator | Sales and marketing | collection

supervisor

HR coordinator | Training and development

specialist

employee

Specialist assistant

clerk

Employees

Figure 3.2. The Organizational Chart of KKTCELL

IV. LIMITATIONS OF THE STUDY

The study conducted was hampered by many limitations which prevented the study producing solid results;

- Both organizations studied, KKTCELL and TELSIM had no records on employee performance thus making it difficult to measure increases in performance.

- The human resource departments were not efficiently set up and the head of these departments were not specialist in human resource management thus limiting their ability to contribute to this study.

- The organizations did not give any information about their financial performance thus making it difficult to understand the relationship (if any) between organization performance and employee development.

33

V. CONCLUSION AND RECOMMENDATIONS

The importance of human resource management and its effects on organizations performance has only been recognized recently. Organizations today are using their human resources to gain competitive advantages over their competitors. Of many activities that make up human resource management, the activities of training and development have been selected for further analysis in this study. The purpose being to examine whether a positive relationship exist between employee training and organization performance.

In order to measure this relationship two organizations from the TRNC were selected. These organizations, namely KKTCELL and TELSIM were both from the same sector and both originate from Turkey. The human resource management departments were examined and interviews conducted with the human resource managers. Both organizations concluded that there was a positive relationship between the activities of training and development, and organizational performance. However, this positive relationship could not be supported with figures due to the fact that the organizations had no records on employee performance in general and would not provide data on their financial performance.

Therefore, even though KKTCELL and TELSIM both support the notion of their being a positive relationship between employee training and development, and organization performance, this study has not been able to solidly prove this.

Recommendations made;

- The two company should improve their human resource departments more and KKTCELL and KKTC TELSIM should hold records related with

34

organization's employee training and development to measure increases in performance.

- In order to apply all activities of training and development, the companies should develop themselves, and the head of human resource managers should be specialist.

- The companies should keep job specification to understand what is the skill requirements of the job and job description to understand what is the duties of the job. This information is important in analyzing training needs.

- The organizations should give more information about their financial situation in order to understand the relationship between organization performance (sales, potential customers etc.), employee development and effects of training.

- The organizations should devote a certain percentage of its budget to training and development activities.

- The organizations should realize that training and development is a continuous process-as technology develops so it become necessary to develop employees parallel to technological changes. In other words, the organizations should be "learning organizations"-understand the training and development is a continuous process and is regarded as an investment and not a cost.

- Generally, the organizations should place more importance on human resource management, and understand the advantages that could be gained from this.

VI. REFERENCES

- Castio, Wayne F. Managing Human Resource (McGraw-Hill International, Singapore, 1992).

- Dessler, Gary. Human Resource Management (Prentice Hall, USA, 2002).

- Raymond A. Noe. Employee Training and Development (McGraw-Hill, New York, 2001).

- William B. Werther & JR. Keith Davids. Human Resource and Personnel Management (McGraw-Hill, USA, 1996).

- Mondy, R. Wayne; Noe, Robert M., and Premeaux, Shane R. Human Resource Management (Prentice Hall, New Jersey, 1999).

- Güryay, Şirin, " Interview conducted with Human Resource Manager at KKTCELL", May 2002.

- Uysal, Melek, " Interview conducted with Human Resource Manager at KKTC TELSİM", May 2002.

- About KKTCELL, www.kktcell.com

- About KKTC TELSIM, www.telsim.com.tr