EMPLOYEE DEVELOPMENT IN RETAIL ORGANIZATION: QUALITATIVE RESEARCH

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**Abstract** 

Employee development is one of the most important HR topics in today's companies. The aim of this paper is to provide a clear picture of employee development in a retail organization based on qualitative research. The subject of the survey is the analysis of the perception of development activities in the company from three different points of view: employees (not working in managerial or leading positions), top managers in the unit and an L&D specialist, who were interviewed. Among the results, all participants appreciate the wide range of offered

training activities but see a big deficiency in internal learning system/software. There are

implications in the impact of training, reasons for participating and priority setting.

We state pragmatic validity for the research in the sense that our findings can help specify the meaning of employee development in the retail organization and provide a basis for reflection and practice-based learning. This paper is beneficial for HR professionals, especially in retail organization, manager and leaders working in retail organization and scholars focusing on the topic of employee development.

**Key words:** employee development, training, retail

**JEL Code:** M12, M53, J24

Introduction

Employee development is one of the most important HR topics in today's companies. All the changes happening in the world have an influence on companies that need to re-evaluate the required competencies and their approach to employee development. The crucial element is an adaptation to rapid changes. According to Ibidunni (2019), the opportunities for learning and development are the key to improving organizational performance. The capacity for learning and innovation has been identified, during the COVID-19 pandemic, as one of the most important factors in strategies for organizational change and HRD (Dirani et al., 2020), as added Diaz-Fernandez et al. (2017) that companies need to adapt to the changes, support employee's

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development. It is also important for employees to continue in their development, which for companies can bring a competitive advantage in finding a new effective way. Kragulj (2016) confirmed that employee development causes organizational changes as well as effectively exploits knowledge and creates new ones. The synergic effect in the development of individuals and companies can be done in all business sectors if management is able to create sustainable conditions for their employees and manage the development process. Employee development is a key component of successful employee retention and satisfaction (Urbancová and Vnoučková, 2018).

The aim of this paper is to provide a clear picture of employee development in retail based on qualitative research. This paper consists of an introduction of the subject and issue presented, the second part provides the literature review and presents the current state of related theory and research. The following part describes the methodology used in the qualitative research. The next part reveals the results of the research. Finally, the conclusion and limitations point out some ways for future research in this area.

#### 1 Literature review

Employee development research in the future needs to derive to think differently about how employees develop as well as how employers support the development. Scholars need to embrace the perspective that development is a shared responsibility between employees and employers. Employees should view the organization as a resource for development and take over the active role in their own development. In this active role, employees need to learn more, relearn, unlearn and follow work requirements (Dachner et al., 2019). Some development research point out the role of the organization in employee development, on the other hand, most of the literature emphasizes an employee as an individual. In fact, the synthesis of both organization and individual is an important element in skill development as well as career growth (Rigolizzo, 2019). Development activities should be effective and worthwhile, they should inform about future requirements and job opportunities. Organizations should act as partners for employees and help them to allocate the right development activities with the right set of skills needed (Dachner et al., 2019). Employee development is usually connected with increasing the abilities needed to do a better job (Setiawan, 2020). Managers also need to be trained in promoting employee learning at work (Wallo et al., 2022). The knowledge, skills and abilities can be gathered through a long-term learning process, employees can take part in the training offered by the organization or any other training institution or informally, it means

that employees are responsible for their own development (e.g., by studying literature) and efforts in this area (Setiawan, 2020). Attending the formal learning activities can bring a welcome addition of new knowledge (Wallo et al., 2022). There was found a conflict due to time-based work interference with a negative effect on informal learning. Compared to formal learning driven by the organization it often happens outside the work hours which causes a negative impact on family or personal responsibilities and leisure time (Dachner et al., 2019). The expectation is that employees attending some training will work more effectively and efficiently compared to the employees not attending any training activity (Setiawan, 2020). Moreover, participation in continuous learning a development activity has a significant impact on working conditions, such as job satisfaction and well-being (Watson et al., 2018).

Findings of the study conducted in Poland among 19 Human Resources Managers from various organizations found that new reality forced companies to adapt their development plans. The available resources were more often invested in the development of new required skills and competencies (Mikołajczyk, 2021). Employees currently experience dissatisfaction due to the changes in work and responsibilities without prior training (Akkermansa et al., 2020). Latif stated that the study concludes that the increased satisfaction with the employee development is a powerful catalyst in creating job satisfaction. The research initiated employee development as a contingent factor of job satisfaction (Latif, 2013). Findings of one study present that the supervisors have a key role in supporting the employee development, by offering and translating career interventions (Yoon et al., 2021).

# 2 Methodology

The object of the research was a Slovak unit of an international retail organization operating in more than 50 countries worldwide. The subject of the survey is the analysis of the perception of development activities in the company from three different points of view: employees (not working in managerial or leading positions), all nine members of top management and Learning & Development Specialist. This paper is based on qualitative research which consists of a structured interview.

The interview created a framework in which the respondents were able to express themselves using their own expressions and style. A relationship of mutual trust, helpfulness and interest was created. The questions are formulated in a clear way that the respondent understands. After the interview, the notes were completed and checked their quality and

completeness. A structured interview with open-ended questions consisted of a series of carefully formulated questions to be answered by individual respondents.

The aim of the questionnaire was to design a questionnaire that meets the needs of the research. A pilot test was used with the purpose to determine the adequacy of the content of the questions. Based on a pilot test, the questionnaire was revised. Processing was performed similarly to structured qualitative surveying.

The questions in the interview were formulated according to the purpose of the research and based on the following research questions: Why does the company focus on employee development? What are the main areas which need to be improved? What is the impact of development activities on employees?

The interviews were conducted during the employee's working time. All the respondents had a free choice if they want to participate in this research or not.

## 3 Results

From the analysis of the conducted interviews, here is the summary of the main findings from the point of the **L&D** specialist. According to a specialist, there are many options available. In addition, there are other positives, such as on-the-job training, employees applying for what they are interested in, having the opportunity to work in other departments, and thus further develop. By completing the training, employees can contribute to the fulfillment of the business plan, and also increase their skills, which can help them in their career growth. According to research conducted by Urbancová and Vnoučková (2018), companies detect the benefits of employee development such as the attractiveness of a company to external potential candidates, impact of employee development on profits, decrease in costs, increase in trust, commitment, retention, loyalty, performance, motivation and competitiveness. Moreover, employee development influences trust between leaders and employees, their motivation and decreases staff turnover. This research shows that it is possible to find a positive impact of employee development on performance, commitment and loyalty.

On the other hand, there were found also deficiencies that occur. It is necessary to work on improving the internal training system (online platform/software), the pieces of training that the company offers are intended for all employees (except for specific training for managers and some specific departments). Employees also lack room for more soft skills training. There are several ways to improve the current situation, such as improving technical equipment,

adapting the planning of shift plans to allow sufficient time and space for development, leading leaders to take responsibility for the development of their teams and others.

From the perspective of **managers**, the company strives to run a business through people. On the one hand, it strives to improve customer service, ensure the company's sustainability, competence, advance, capture trends and strengthen the company's overall strength and potential. On the other hand, it develops the talent of employees, their knowledge, engages them in everyday tasks to make them easier for them and perform them more effectively, motivates them, allows them to grow and make decisions. The possibilities for development are very wide. Whoever wants to develop has opportunities. Managers see it as a positive that employees can choose their own path, the path of a specialist or broaden their horizons in several areas.

Another research presents the results of empirical research focusing on the perception of those schemes and policies, from the perspective of employees employed in offshore service delivery centers. The findings point out the importance of employee development as well as the direct manager's perception of the organization whereas in general employees expressed a positive perception (Kedziora, Piotrowicz, Kolasinska-Morawska, 2018). Participation in development activities has a positive effect on the employee in that it opens other opportunities (career and personal growth). Some may take new knowledge and put it into practice. Some have the opportunity to show what is in them and profile themselves in their growth, it can give them confidence and become more independent.

Managers see room for improving employee development, especially in the accessibility of development activities, they would suggest introducing better flexibility in the selection of development activities, but also focus on the development of those employees who are interested in further development. It would also be beneficial to pay attention to management because when someone becomes a manager, they do not have as many opportunities for their development as other employees at a lower level. One point for change is the internal development system (online platform/software).

The results also pointed to deficiencies in the usability of the training in practice, some pieces of training should be more practical, supplemented with case studies, to be closer to reality/practice. Development activities should be more individualized. Some need to develop so-called soft skills, some hard skills such as working with computers, MS Excel and similar.

Employees also lack the attention of their manager after the training. Finally, feedback from the manager on employee training is also important. In the study conducted by Wallo at al. (2021), who interviewed 19 managers from the top or middle management, one of the results

found that the managers use an individual conversations with the employees to promote learning (development) activity. Furthermore, the managers provide similar arguments to talk about offering different types of formal training, many managers also designate time in meetings to discuss a learning activity.

From the perspective of **employees**, development is also related to the customer, because with better knowledge, the employee can better meet the customer's needs. Employees want to develop further so that they do not stagnate, acquire new knowledge and skills and meet new people. Employees understand that it benefits not only them but also the company, as well as the customer. According to employees, the possibilities of development in the company are unlimited. The company offers a lot of pieces of training. Employees perceive that each one has a personal responsibility for their development. The biggest deficiency is the online platform/software, where they can find the training and sign in. Employees find this system complicated. Furthermore, they would welcome a change in access to information, and they also lack training such as training on MS Excel and other systems. There is a need to improve awareness and timing, specify training and add vocational/professional training.

Results from the interviews show that the pieces of training are not individualized for individual employees. The main disadvantage of individualization is the cost, it would incur high costs for external trainers and on working time, as everyone could have training at a different time, which could also cause complications in planning work shifts, which would also be more administratively demanding and, in particular, a person would have to be appointed to decide who can complete which training. The advantage is that individual employees develop exactly what they need. For employees who are forward-looking and aspiring to leadership positions, this can also be one of the forms of employee motivation. Also, employees who currently work in management positions can continue to develop in their field and deepen their knowledge and obtain up-to-date information also through various conferences and events. Employees said they were not sufficiently informed about the possibilities for further development. Another deficiency that emerged from the interviews is the complicated online system/software that employees use for signing up for training and where they have a lot of online pieces of training.

Table 1 is the summary of the answers for each question from the structured interview according to the three different points of view: managers, employees, L&D Specialist.

**Tab. 1: Summary of results** 

Question	Managers	Employees	L&D Specialist
1. Why does the company focus on employee development?	Leading business through people.	Especially better customer satisfaction.	Employee care.
2. From the point of view of a manager / employee / L&D specialist, how do you perceive the development and development opportunities at company?	Wide.	Wide.	Wide.
3. What do you like most about employee development?	Employees can choose.	Everyone has a chance.	Training in work time, many options.
4. What would you change in this area of employee development?	Access and flexibility.	Company learning software.	Planning system, computer literacy.
5. Who are the development activities dedicated for?	For all.	For all.	For all.
6. Why do the employees participate in development activities?	Career building, interest in developing, making decisions, changing stereotypes, working more efficiently, avoiding work.	Personal development, being informed, competent, change compared to everyday work.	From company's point of view: mandatory training, business plan support. From the employees' point of view: increasing expertise, skills, preparing to take on more responsibility / higher positions, learning something new and working on own development.
7. Which development activities have priority?	Legal and active sales.	Active sales, customer focused	Legal and out of business plan.
8. What impact does participation in development activities have on the future of the employee?	Careers and personal growth. Individually.	Career and personal growth. Individually.	Career and personal growth. Individually.
9. What do you think the employees miss in terms of development?	More practical training. Development of soft and hard skills. Individualize training.	Awareness, communication, clarity, more technical training. Succession plan.	Development of soft skills. Computer equipment and literacy.
10. What can the company improve in employee development?	Individualization of training. Support of the adaptation process.	Awareness, timing and specification of training by department.	Improve technical equipment, adapt change planning, leadership development.

Source: own research

## **Conclusion**

Efficiency in the development of employees increases when information about development activities is clearly communicated and available for all employees.

Nowadays, the COVID-19 pandemic forces the training activities to be online, use video format, webinars or other virtual options. Companies had to start using remote tools and forms of development. It is worth considering how to effectively implement the employee development process under these conditions ((Mikołajczyk, 2021).

The current research has several implications for theory and practice. At the theoretical level, it brings a brief overview of literature and studies conducted in connection to employee development in the last years. This paper summed up the perception of employee development in a chosen retail organization. Furthermore, it provides practical information gained from the qualitative research where managers, L&D specialist and employees were interviewed and provided basic information about employee development, its pros and cons at the company.

The results presented in this paper should be considered in relation to the limitations of the study, e.g., the use of self-reported data presents potential limitations related to the internal validity of findings (e.g., discrepancies between what people say they do and what they actually do), the results are based only on one retail organization. If the research will be conducted repeatedly with a higher number of employees in the focus group, it could verify the results obtained. Although the structured interviews were designed to cover all necessary areas of research, there were unanswered questions that should be examined further. For example, further research could go deeper and find out the perception of specific development activities and future expectations.

The pragmatic validity for the study is claimed in the way that these findings can contribute to concretizing the meaning of employee development at retail organizations and provide a basis for reflection and learning linked to practice.

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