

Employees' Perceived Costs and Benefits of Participating in Employee Development

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ABSTRACT

We evaluated employees' outcome expectancies regarding participation in employee development using an open-ended field survey across 3 public sector agencies. A taxonomy of costs and benefits is provided to guide research into contributing and deterring factors influencing employees' decisions to participate in voluntary employee development.

Organizations today are confronted with rapid changes in both external and internal environments. As a result, employee development activities are crucial for organizational development and organizational adaptability to environmental changes (Garofano & Salas, 2005; Maurer, 2001). Employee development programs and activities can be quite costly in terms of time and resources that organizations devote to them. Often, such programs and activities must be justified by demonstrating their potential for adding value to the organization. It would be pointless for organizations to spend time, effort and money on an employee development program that employees do not participate in. Recognizing this problem, recent research has focused on discovering factors related to participation in voluntary employee development activities and developing theoretical models to predict participation (Birdi, Allan, & Warr, 1997; Garofano & Salas, 2005; Hurtz & Williams, 2008; Maurer & Tarulli, 1994; Noe & Wilk, 1993).

One important component of many of these models of motivation to learn and decisions to participate in employee development is employees' expectancy-value perceptions (Colquitt, LePine, & Noe, 2000; Garofano & Salas, 2005; Hurtz & Williams, 2008). Studies approaching the topic from the framework of Ajzen's (1988; 1991) theory of planned behavior explicitly involve measurement of beliefs regarding the potential outcomes of the behavior (i.e., expectancies) and the value placed on those outcomes (Hurtz & Williams, 2008; Maurer & Palmer, 1999) as components of one's attitude toward participating in the future. Empirical evidence suggests that these expectancy-value

cognitions regarding the outcomes of participation bear a significant and typically strong positive relationship with the intention to participate in future employee development activities (Facteau, Dobbins, Russell, Ladd, & Kudisch, 1995; Fishbein & Stasson, 1990; Hurtz & Williams, 2008; Maurer & Palmer, 1999; Maurer & Tarulli, 1994; Noe & Wilk, 1993; Tharenou, 2001).

Given the critical role of expectancies/beliefs about outcomes of participation in the prediction of participation it is important to gain an understanding of what those expectancies are. In other words, what outcomes do employees expect will result from their participation? With a better understanding of employees' belief structures underlying their participation-related cognitions, interventions can be designed strategically to increase participation rates by targeting the positive and negative outcomes that employees believe will result if they take time away from their immediate work to participate in training and development activities. Over time, employee development programs that consistently deliver positive outcomes and show that negative outcomes are perhaps less likely than generally believed may gain a stronger reputation which may result in higher participation rates on a continual basis (Garofano & Salas, 2005; Hurtz & Williams, 2008).

Past research delineating examples of perceived employee benefits of participation has tended to rely heavily on the work of Nordhaug (1989). Nordhaug's analysis resulted in three categories of perceived benefits: (1) developing learning motivation or a desire to continue learning, (2) career development outcomes such as promotions and improved work assignments,

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and (3) psychosocial development in terms of increased self-confidence and making new friends. Noe and Wilk (1993) used these categories directly in their research on predictors of participation; Maurer and Tarulli (1994) expanded the categories somewhat by splitting career development/rewards into intrinsic and extrinsic career outcomes, and developed measures of intrinsic outcomes, extrinsic outcomes, and psychosocial development which were then used again by Maurer and Palmer (1999). Birdi et al. (1997) likewise used Nordhaug's work in combination with Noe and Wilk and responses from their own pilot interviews and derived three factors of perceived benefits: job-related benefits, nonjob benefits, and learning orientation benefits. Hurtz and Williams (2008) drew from this same body of past research linking back to Nordhaug's work in the development of his outcome belief scale, and Tharenou (2001) drew from Noe's earlier work (Noe & Schmidt, 1986) in the development of a general scale of perceived outcomes. Garafano and Salas (2005) made a clear recommendation that new scales of outcome expectations should be developed to help advance research in this area.

Much of this past research has conceptualized perceived outcomes largely from the perspective of (1) perceived *benefits*, without due consideration of *costs*; and (2) the *actor*, without consideration of possible benefits and drawbacks to the *organization*. Building on the work of Pearce and Gregerson (1991), Hurtz and Williams (2008) conceptualized one aspect of the intention to participate as a felt responsibility or obligation to develop oneself as an employee. It may be that one type of perceived outcome of participation that could drive action toward participation is a feeling of obligation to help the organization realize beneficial outcomes, regardless of (or in addition to) any personal benefits or costs the employee would expect from participation.

Considering both the person's and the organization's outcomes could help explain results that do not seem to fall in line with expectancy-value predictions, such as an individual participating in voluntary activities for which they see little personal gain or see great personal costs. Factors such as organizational commitment could perhaps be added to models of predicting participation to account for a tendency to participate for the good of the organization rather than oneself. This component of outcomes surely warrants consideration in an overall theoretical model of belief structures underlying participation, as does increased attention to the costs of participation.

The current study was thus carried out with two sets of questions in mind. First, to what extent has the past research captured the breadth of perceived

personal outcomes (both benefits and costs) of participation? Does Nordhaug's (1989) analysis need to be updated after nearly 20 years, and in a U.S. sample? Are there more than three components of personal outcomes? Second, to what extent do employees see outcomes (both benefits and costs) to the organization that are distinct from the personal outcomes they would expect for themselves? The current study surveyed a sample of U.S. public sector workers using open ended questions in attempt to gain insight into just what they perceive the positive and negative outcomes of participation would be.

Method

Participants

Participants were 149 public sector employees from a large Western state. Approximately 24% were male and 76% were females. The average age was 44.16 years, with age range of 21 to 67 years. Approximately 20% were support staff, 62% were professional staff, 12% were executive staff, and 6% were in other unspecified job level categories. Approximately 41% had been in their current professions for up to 13 years and 11% had been in their current profession for 14 to 17 years. A large number of participants, 48% had been in their current profession for 18 or more years. Approximately 23% indicated that they had been in their current employer for up to 3 years. Approximately 55% had been with their current employer for 4 to 13 years and approximately 22% had been with their current employer for more 14 years or more. Individuals were diverse in terms of their tenure with their current employer, ranging from 1 to 18 years or more. Overall the sample represented a wide range of tenure and experience levels from which to draw in their open-ended responses.

Materials

Beliefs about costs and benefits of participation. Participants indicated their beliefs about the positive and negative outcomes that might result from engaging in employee development activities. They provided open-ended responses to the following four items: (1) "List at least 3 advantages you would personally gain as a result of participation in employee development activities;" (2) "List at least 3 disadvantages you would personally experience as a result of participation in employee development activities;" (3) "List at least 3 advantages your company or organization would gain if employees participated in development activities;" and (4) "List at least 3 disadvantages your company or organization would experience if employees participated in development activities." Participants

read each question and wrote their responses in the space provided.

Procedure

Permission was obtained from three public organizations to administer the survey. There were 670 surveys distributed and 149 (22%) returned. Surveys were placed in envelopes and mailed to participants through their organizations' internal mail. Each envelope contained a cover letter from the researcher and a letter from their organization, an informed consent sheet, and the survey materials. The cover letter from the researcher explained the purpose of the study and assured employees that it was voluntary and responses would be confidential and anonymous. The letter from participating organization encouraged employees to participate in the study. A box was provided in each department to deposit surveys and a deadline was provided for the completion of the survey. The surveys were returned to the researcher in sealed envelopes.

Results

Content analysis of the open ended responses was utilized to look for common themes that underlie employees' perceptions of costs and benefits of participation in development activities. A total of 1108 outcome statements were derived as a result of the four questions. Two researchers worked independently to reduce the hundreds of responses to each question into a subset of categories containing the common themes. All in all, the 1108 statements were reduced to 48 unique outcome categories with a 95% agreement rate between the researchers.

Expected personal benefits of participation. In response to the question "list at least 3 advantages you would personally gain as a result of participating in development activities," 406 statements were obtained, which were reduced to the 15 categories displayed in Table 1. The individual benefits mentioned most often were knowledge gained, social benefits, and skill enhancement. Somewhat less frequently mentioned were improved performance, promotional opportunities, personal growth, personal satisfaction, and increased awareness. Less frequently mentioned benefits were job role insight, increased confidence, break from work, increased leadership, input opportunities, exposure to new fields, and resource development. See Table 1 for specific examples that help characterize each category.

Expected personal costs of participation. In response to the question "list at least 3 disadvantages you would personally gain as a result of participating in development activities," 296 statements were obtained

which were reduced to the 7 categories shown in Table 2. The most frequently mentioned categories included time loss, inadequate instruction, and increased workload. Less frequently mentioned categories included resentment, high cost, and inconvenience. Table 2 provides some specific examples falling under each category label.

Expected benefits to the organization. In response to the question "list at least 3 advantages your company would gain as a result of if employees participated in development activities," 218 statements were obtained which were reduced to 15 common themes. Table 3 displays the list of company advantages which included increased workforce performance, increased job satisfaction, skill enhancement, enhanced teamwork, and increased knowledge. Some less frequently mentioned benefits include efficient service, employee awareness, job role insight, increased confidence, organizational commitment. Table 3 provides additional infrequent categories as well as specific examples to further define each category.

Expected organizational costs. In response to the question "list at least 3 disadvantages you would personally gain as a result of participating in development activities," 193 outcome statements were obtained, which were reduced to 11 common themes. The most frequently mentioned categories were loss of work time, decrease in performance, cost involved, inadequate training programs, and resistance to participation. Less frequently mentioned categories included decreased job satisfaction, inadequate application, and loss of employee. Other infrequent categories and specific examples within each category can be found in Table 4.

Discussion

This survey captured the richness of employees' beliefs about participation in employee development, using their own thoughts and words. Preliminary taxonomies of expected costs and benefits were derived through content analysis of 1108 open-ended responses to four questions prompts. Comparison of Tables 1 and 3 and Table 2 and 4 reveal significant overlap in perceived benefits and costs at the individual versus organizational level, although some differences arise that make accounting for both perspectives a more comprehensive strategy. Furthermore, while many of the categories of expected benefits could be placed into one of Nordhaug's (1989) three categories, the expected costs revealed in this study are completely absent from Nordhaug's original work. These factors may be a significant addition to our understanding of why employees might choose *not* to participate in voluntary employee development. In addition, factors related to

perceived organizational (as opposed to individual) outcomes are absent in Nordhaug's work and could likewise be beneficial in understanding employees' decisions regarding participation.

The preliminary taxonomies of expected costs and benefits to employees and organizations resulting from this analysis should prove highly useful in assembling closed-ended questionnaires that could be administered and factor analyzed to further develop the taxonomy and supplement Nordhaug's (1989) three dimensions. This is an important step toward answering the call for scale development in outcome expectancies (Garofano & Salas, 2005) and has the potential to advance a greater understanding of expectancy-value attitudes which play a central role in predicting intentions and participation (Hurtz & Williams, 2008).

One limitation of this study was that employees were solely from the public sector; future research should expand the taxonomy using private sector employees. Another limitation was the relatively low response rate. Nevertheless, the responses were varied and provided useful information to guide further theoretical development of the nature of outcome expectancies in this context. It is our hope that future work building on the taxonomies derived in this study will provide a comprehensive mapping of employees' beliefs about participation in employee development so that participation rates and both individual and organizational benefits of employee development can be maximized.

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Perceived Outcomes of Employee Development

Table 1

Personal benefits expected as a result of participation in employee development activities

Frequency	Percentage	Label/Definition
90	22.28	Knowledge gained: updated research information, intellectual challenge, continued learning, new information increased knowledge, new knowledge, more knowledge, greater understanding, learn from an expert, gain more job related knowledge.
64	15.84	Social Benefits: meet people, socialization, increased network, provides a united front, team building, contacts from your department, meet people, positive interaction, cohesiveness with peers, make professional contact, help coworkers.
61	15.10	Skill Enhancement: skill development, fine tuning of skills, competence, improve job skills, increase professional skills, new techniques, develop career-related skills, sharpen skills, practical job experience, gain management skills, improved ability to do job, broaden skills.
28	6.93	Improved Performance: more efficient, increased productivity, more effective as a supervisor, a better way to serve, motivated to be effective, better outcomes, improved performance, increased productivity, work with administration to enhance quality of job, makes one more productive, makes job easier.
28	6.93	Promotional Opportunities: advancement, promotion, potential for promotion, greater chance of being promoted, expanded resume, obtain future references from professional contacts, meet requirements needed for new positions, tools to help with promotion, become more marketable.
25	6.19	Personal Growth: personal growth, grow, growth, increased professional growth, personal achievement, professional development, self improvement, growth of others.
20	4.95	Personal Satisfaction: feeling of a sense of accomplishment, feeling good about refreshing skills, good morale booster, personal satisfaction, increased job satisfaction, organizational satisfaction, feeling valued as a competent employee, job enhancement.
20	4.95	Increased Awareness: input to topical or important issues, new perspective, increased awareness of community needs, expand view of bigger picture, insight, increased self-awareness, new ideas, current trends, new ideas are helpful.
17	4.21	Job Role Insight: more knowledge of job duties, appropriate behavior, job expectations, valuable information pertaining to duties, enhance job duties, improve my role as a supervisor, a greater understanding of my role, hopefully learn more about my role as a supervisor.
15	3.71	Increased Confidence: more confidence in work, self confidence, boosts self-confidence, more confident, feel more confident, more confidence in my work.
12	2.97	Break from Work: a break from casework, burn out prevention, prevents burnout and boredom, having fun, have time away from work, change of pace, a break from routine, reduces stress.
8	1.98	Increased Leadership: increased leadership skills, positive leadership, be a trainer for others, participating improves my leadership skills, be a valuable employee.
7	1.73	Input Opportunities: chance to express ideas that can be useful for training, personal input in decision making, contributing my input into development activities.
5	1.24	Exposure to New Fields: learn from an expert, exposure to other fields, new experiences.
4	.99	Resource Development: funding, develop new sources of funding or resources, obtain resources for future use such as workbooks, handouts, web links, new resources.

Perceived Outcomes of Employee Development

Table 2

Personal costs expected as a result of participation in employee development activities

Frequency	Percentage	Label/Definition
99	33.56	Time Loss: wasted time, takes time away from work, time consuming, loss of time from work, too much time away from work, time away from necessary activities, time challenge, disruption of schedule, loss of sleep time to attend activity, loss of time, time constraints.
80	27.12	Inadequate Instruction: not learn anything useful, boring, topics not related to work, cannot see the value of education, feeling of frustration as a result of irrelevant information being given, training may be too basic to be helpful, information not focus on job, not relevant, wrong class, poor presentation, training usually redundant, repetition of material. useless
58	19.66	Increased Workload: Examples: workload issues, less back up of personnel, backlog of paperwork, less productive, incomplete work or tasks, short of staff, absenteeism, temporary loss of employees.
20	6.78	None: none, no disadvantage, no disadvantages.
14	4.74	Resentment: management taking credit for hard work, look down on employer for sending me to a training program, negative attitude from supervisors, poor support or participation, lack of participation on the part of employees forced to attend training.
13	4.41	High Cost: spending more money on employees, training program costly, overtime pay so that missed work can be completed, loss of money as a result of poor usage of information, cost cannot be covered by current funding, expense may not be equal to benefit, cost of employee time.
11	3.73	Inconvenience: location can be faraway, inconvenience, having to attend training when I am off duty, contact with people I don't like, travel, exposure to mandatory boring staff, seating is uncomfortable.

Perceived Outcomes of Employee Development

Table 3

Organizational benefits expected as a result of participation in employee development activities

Frequency	Percentage	Label/Definition
51	23.50	Increased Workforce Performance: efficiency, work motivation positively affected, employees would be more productive, less errors, staff with greater vision, focus, increased energy, low employee job retention, improved outcomes.
30	13.82	Increased Job Satisfaction: happier employees, create job satisfaction, increased morale, enthusiasm, improved staff image, emotionally prepared employees, reduce negatives in the work place.
28	12.90	Skill Enhancement: more technically skilled employees, improved skills and abilities, better able to handle difficult situations, increased overall competency, employees would be more useful throughout the entire organization, potential for career advancement.
26	11.96	Enhanced Teamwork: it would create an atmosphere where team work is valued, better team work, better team player, enhanced team building, group interest.
24	11.06	Increased Knowledge: better knowledge of procedures, more creative thinking at work, try new ways of doing the job, enhanced knowledge, knowledge of tools, additional approaches to problems, operate with new improved information.
13	5.99	Efficient Service: increased client satisfaction, improved quality of service, improved professionalism, support of customers, positive image of clients, patrons or customer satisfaction.
9	4.15	Employee Awareness: new insights in to other positions, heightened awareness of subject, different perspective, development activity awareness.
9	4.15	Job Role Insight: understanding of job, accountability for own work, way out when something happens, "the person has trained on this so it's unknown why they were not able to perform right."
7	3.23	Increased Confidence: self confidence, boost confidence, builds confidence; confidence brought by knowledge, feel more confidence, self confidence.
6	2.76	Organizational Commitment: employee vested interesting organizations, good reputation, employees feel valued, cultivate more interest in the job, loyal employees, improve reputation of our organizations.
4	1.84	Information Sharing: a more informed or motivated staff, better informed staff, will have employees input into problems and solutions.
4	1.84	Resource Availability: more federal funding, better resources, support of legislature.
3	1.38	Meeting Requirements: conforming to standards, meeting state standards, meeting other standards,
2	0.92	Increased Services to Staff: management may feel that they have performed service to staff, employees may appreciate training.
1	0.46	Break from Work: time off.

Perceived Outcomes of Employee Development

Table 4

Organizational costs expected as a result of participation in employee development activities

Frequency	Percentage	Label/Definition
50	26.04	Loss of work time: too much time taken away from work, time away from the office, time away from work, work less time, time constraint, feel wasted my time, less time with family, time wasted planning training activity.
32	16.67	Decrease in Performance: interruption of service, loss of productivity, absent from work, less productivity, stress, backlog, absenteeism, short-handed at job site, backlog of work, workload impacted negatively.
30	15.63	Cost Involved: not cost effective, spending more money on employees, training program costly, possible loss of revenues generated, cost to train, expense may not be equal to benefit, I may be paid for attending training classes.
23	11.98	Inadequate Training Programs: dissatisfaction with activities, program or presentation may be poor, frustrated employees because unable to apply easily what is learnt, general confusion, not enough choices of training, less understanding of job, employees unable to relate to training.
17	8.85	Resistance to Participation: employees refuse to attend, some employees do not believe in training, low employee turnout, resistance to the implementation of new methods, difficult to obtain supervisors approval to attend, most of the time supervisor would not let you attend, employees view training as punishment.
10	4.69	Decreased Job Satisfaction: frustrated employees, loss of morale, negative employee morale, staff cynicism, become dissatisfied with current job, loss of morale if some employees are allowed to attend and others are not.
9	5.21	Inadequate Application: poor usage of information learnt, possibly receiving info and unable to use it, subject not applied, employee not applying what is learnt, frustration that employees are "not getting it," employees would not retain information or pay attention.
7	3.65	Loss of Employees: some employees may return to school, quitting job, loss of employees to other departments, employee will like to be promoted, and company could lose good employees due to added skills, losing competent people to current job.
7	3.65	None: no disadvantages, any information is better than none, no disadvantage.
5	2.60	Covering Shifts: other employees will have to cover shift, need coverage for staff to participate, others need to cover for absent staff, and someone is needed to do the work, coverage need.
2	1.04	Ulterior Motives: people only go to get out of work, employees may use as an excuse for late work.