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Learning and Development Effectiveness in Organisations

An Integrated Systems-Informed
Model of Effectiveness

Thomas N. Garavan *et al.*

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Learning and Development Effectiveness in Organisations

“Learning and Development in Organizations provides a compelling integration of research, scholarship and organisational practice in the emergent field of Learning and Development. Across its five chapters, this work provides expert insight into the contribution of learning and development for individual employability and career advancement, and for organisational sustainability and competitive advantage. The authors represent an impressive range of research, teaching and practitioner excellence. Their monograph provides a much-needed go-to resource for those whose interest is in learning and development as a feature of organisational effectiveness.”

—Valerie Anderson, *Professor of Human Resource Development,
University of Portsmouth, UK*

“Thomas Garavan and his colleagues have produced an exemplary analysis of what we need to know so that training delivers results. Covering all aspects of the training process, this book offers an in-depth guide to the latest research with clear practical implications drawn out. This is essential reading for anyone with a passionate interest in getting training right and wanting greater returns from their training budget.”

—Professor Nicholas Clarke, *Professor of Organisational Behaviour
and HRM, Loughborough University*

“At last, we have a resource that integrates research and practice written by eminent scholars. This critical view of common practices, informed by extensive theories will help both researchers and practitioners to avoid the traps of fads that have been present in L&D for many years, enabling organisations to use L&D more effectively to accomplish many outcomes desired. This is a must-read book for anyone researching or practicing L&D. The need for such knowledge will expand exponentially as we work to re-establish business following the Covid-19 Virus Pandemic.”

—Gary N. McLean, *Professor of Organization Development,
School of Management, Assumption University, Bangkok, Thailand*

“Assessing the effects and value of investment in training has been of continuing concern to training professionals for many years. This is not only because

of their desire to provide effective interventions for the benefit of learners, but also because of the need to demonstrate value to organisation decision makers. This new text from Professor Garavan and his colleagues provides the latest and most exemplary answer to this concern through a comprehensive and thorough analysis of current research and knowledge. The result is a process model of training effectiveness which specifies all of the direct and indirect variables influencing training effectiveness. The model is clearly explained and justified in the book, and it will be of immeasurable benefit to both researchers and professionals seeking to understand how to ensure the effectiveness of training interventions.”

—Professor Jim Stewart, *Liverpool Business School,*
Liverpool John Moores University, UK

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1

Introduction

Abstract Scholars and practitioners both acknowledge the important role that learning and development (L&D) plays in organisations. The development of human capital is an essential component of individual employability, career advancement and competitive advantage. Therefore, the development of the knowledge, skills and attitudes of employees constitutes a very important organisational HR practice and it is viewed as one of the most important HR challenges that organisations face. Accordingly, the evidence indicates that organisations continue to invest in L&D programmes as part of their HR strategy. There has been an enormous expansion of research on L&D in organisations; however, a certain degree of ambiguity exists concerning the effectiveness of these activities and there is limited understanding about the best way to implement them. This finding was, for us, an important reason to write this monograph. We seek to offer an integrated and contextualised framework for L&D effectiveness which addresses both the nature of L&D and its antecedents and outcomes in organisations. We created our L&D effectiveness model based on key findings from reviews, empirical research and meta-analyses as well as from previous established theoretical frameworks within the field. We set out in this monograph to bridge

theory and practice so that our framework guides L&D researchers in their future research efforts and helps practitioners in their L&D activities.

Keywords Learning and development in organisations · Effectiveness · Integrated model

For more than four decades, learning and development (L&D) is a critical agenda issue for senior managers in organisations (Garavan et al. 2020a). There is an important recognition that organisations require a skilled and motivated workforce in order to achieve firm performance and competitive advantage (Hughes et al 2019; Tharenou et al 2007). Through investment in structured and formal L&D, organisations enhance employee and organisational human capital which leads to enhanced performance (Jiang et al 2012).

For the purpose of this monograph, we define L&D effectiveness as the extent to which it leads to intended firm-level performance gains and results. However, we also acknowledge consistent with Kirkpatrick (1987) that L&D also leads to more proximal outcomes such as feelings and reactions about the activities, enhanced knowledge, skills and abilities and learnings for teams and organisations, including HR outcomes such as job satisfaction, employee engagement and lower levels of absenteeism (Sitzmann et al. 2008; Kraiger et al. 1993). However, the ultimate outcomes that firms expect from investment in L&D are outcomes such as productivity, innovation, customer service and financial performance (Garavan et al. 2020a; Ployhart and Hale 2014). Therefore, for L&D to be effective, it is necessary to have a high degree of transfer in the form of job performance.

Despite the popularity of L&D in both research and practice, there is a great deal yet to know about the effectiveness of these practices. The lack of compelling evidence for the effectiveness of L&D (defined as ‘formal on- and off-the-job structured activities focused on the development of the knowledge, skills and abilities (KSAs) for current and future job roles’ (Garavan et al. 2020a: 2), has heightened recent debates

about whether L&D is a worthy and valuable investment for organisations. Addressing these sorts of issues, as well as reaching consensus about L&D research and practice in general requires an evaluation of where we are at this time. This is the primary purpose of this monograph, which identifies a pressing need based on an extensive review of the L&D effectiveness literature. We provide a theoretically grounded, comprehensive and integrated framework to understand L&D and its outcomes for organisations.

We propose that there is a need for this framework based on recent discussions. For example, Garavan et al. (2019) questioned whether sufficient empirical attention has been given to justifying the contribution of L&D to firm performance in organisations. Similarly, there has been a push to justify L&D as an important strategic activity in organisations (Garavan et al. 2020b). More generally, commentators have highlighted that there is a need to improve the research base to establish the impact of L&D practices and the justification of many of the normative best practice recommendations that are found in the L&D literature (Garavan et al. 2020b). An important challenge concerns the many different ways in which ‘value’, ‘impact’, ‘return’ and ‘bottom line’ are defined and what they mean in the context of L&D. Researchers have historically argued for different dimensions of value including human resource outcomes (Tharenou et al. 2007), operational outcomes (Garavan et al. 2020a) and financial outcomes (Garavan et al. 2020b). For example, a proximal outcome perspective emphasises KSAs, cognitive, affective and behavioural outcomes (Tharenou et al. 2007); a distal perspective on the other hand argues that investment in L&D is a vehicle to improve operational and financial firm performance. This strategic view prioritises financial outcomes and argues that profitability and return on equity (ROE) represent the ultimate criterion (Kim and Ployhart 2014; Garavan et al. 2020b).

Relatively few models exist that explain the factors that are relevant to explaining the effectiveness of L&D in organisations (Garavan (2007) is perhaps one example). In response, as part of this monograph, we created a comprehensive theoretical model to understand L&D effectiveness. This model is derived from a combination of theoretical and