



28th International Scientific Conference
Strategic Management
 and Decision Support Systems
 in Strategic Management
SM2023

Subotica (Serbia), 18-19 May, 2023

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THE ROLE OF TRAINING AND DEVELOPMENT IN DECISION- MAKING - BASED ON THE 2021/2022 CRANET SURVEY

Abstract: The training and development of human resources in companies and organisations is one of the key functions of HR: the conscious planning and organisation of this area is an important indicator of the functioning of an organisation (Karoliny et al., 2020).

The results of the related surveys not only provide a basis for comparison based on objective measurements, but also allow further lessons to be drawn, primarily with reference to Hungarian conditions. This is the purpose of the CRANET survey, which aims to gather information on EEM practices and their changes in different countries.

Within the questionnaire, the aspect of training and development appears in several sections. Within staff development, we have sought to demonstrate a statistically verifiable link between the sub-sections of the methods used for development and career management and the decision-makers responsible for training development: at the heart of our study was the assumption that it matters who is responsible for the main decisions: the less the manager makes decisions on training development issues, the more the organisation decides to use development and career management methods.

Keywords: CRANET, training and development, HR decision-making

1. INTRODUCTION

The empirical evidence provided by the Cranet network provides support to strengthen our understanding of the nature of strategic HRM, while the importance of the role of training and development in HR practices may also highlight regional differences and help identify the characteristics of HRM in the CEE region.

What aspects can be used to talk about HRM as a success factor for the company? It is not enough to highlight the importance of the role of training and development in the life of organisations today. On the one hand, "it is important for organisational success that training has an impact on the performance of the company", and on the other hand, "in order to achieve this, it is necessary to adapt training to the needs of the organisation and the needs of the (...) employees." (Poór et.al, 2018:223) More important, however, are the roles of managers and HR professionals: who are the people responsible for HR policies in an organisation and how they decide on the methods to be used for development or career management.

The CRANET survey includes all the questions that provide a rich and varied set of information to examine this important role.

2. THEORETICAL BACKGROUND

A company's conscious training development strategy or policy can offer a real and practical alternative with a wide range of training, and it also has an active role in many HR management issues: recruitment, talent management, a company's employer branding and onboarding strategy, and most recently, employee retention.

The role of managers and HR professionals as decision-makers can also be seen in studies and research on human resource management (HRM) and organisational training and development over the last x years.

In addition to HR professionals, senior management and all members of the management hierarchy play an important role in people management, while in many places the work of external service providers is used in the planning and execution of processes. In the past, mainly administrative tasks were emphasized, but in addition, the strategic support role is becoming more and more decisive. (Poór et al., 2018b)

From the fact that the HR department had to prove its necessity many times (Guest - King, 2004), through how the cooperation between the actors involved in various HR issues - be it professionals or the head of a specific organization - would be more effective (Ulrich - Brockbank, 2005), the research related to the topic increasingly covers the details, such as the definition of individual and team behaviors and results by leaders (Griffin - Parker 2007), or the importance of teamwork and the effectiveness of team building (Salas et al., 2008). Many current papers investigate the key role of training and development in career growth of employees (Khan - Bibi, 2022; Sugiarti, 2022; Park et al., 2022; Aruldoss, 2022).

Emphasizing the role of managers, Vallas already spoke in 2006 about the importance of the direction from which training and development "arrives": there are many limitations to the effectiveness of managerial initiatives if the employees do not have the authority, that is, their needs and ideas are not present taking into account, it can also affect workplace relations. After more than a decade, the changing role of HR is already in focus, including how the diverse range of training and development opportunities contributes to maintaining employee well-being (Kowalsky-Loretto, 2017). It is more and more important to plan, implement and execute HR practices (and for companies to interpret this as an investment, not as an expense) in such a way that it is most likely to increase the well-being of employees.

The study by Viitala and his co-authors (2020) examines the further changing role of HRM, and even more so, on the basis of which aspects it is possible to talk about HRM as a company's success factor. Here, training and development comes to the fore in such a way that it should be important not only from the point of view of employees, but also from the point of view of managers, because (mainly) the relatively weak HRM of SMEs can be traced back to managerial preferences.

2.1 The role of the CRANET survey in the mapping of Central and Eastern European characteristics

Other assumptions and empirical evidence serve as a basis for the growing influence, actors and supporters of HR (Poór et al., 2018a), but Cranet's database helps to present the HR function and HR department in detail and covering all participating member countries in the organization his role within.

In this connection, Lazarova and her co-authors (2013), for example, identified an increase in the organizational status of HR professionals after a comprehensive Cranet survey, but failed to clearly confirm the increase in the strategic integration of HR.

The CRANET network not only sheds light on the importance of HRM contextuality (Dewettinck - Remue 2011), but also lays the foundation for comparisons that answer important connections within and between the HRM practices of specific regions.

Such a benchmark study presents, for example, the region-specific characteristics of HRM practice in the Central-Eastern European region. The analysis of Karoliny and his colleagues (2020) shows that the practices of Central and Eastern European organizations that rely on HR experts are less typical of other regions, and that the role of line management is decisive in the Central and Eastern European region.

3. METHODOLOGY

3.1. Data and sample

Data used for analysis are from the Cranet-network 2021 survey round. The so-called Cranet survey is the largest and most representative independent survey of HRM policies and practices worldwide. This is the largest international, non-profit HRM research network in the world, established in 1989.

The network brings together researchers from around 40 countries and plays a prominent role in examining the international development of HRM practices. This is now the ninth survey since 1989, which provides a large database

with the data of 6,460 respondents from 38 countries for further research and uses the following country grouping (Balogh-Karoliny-Poór, 2022):

- Hungary (HUN)
- CEE without HUN - i.e., the 10 former socialist countries of Central and Eastern Europe without Hungary. (1. Bosnia and Herzegovina, 2. Croatia, 3. Estonia, 4. Latvia, 5. Lithuania, 6. Poland, 7. Romania, 8. Serbia, 9. Slovakia, 10. Slovenia)
- Europe without CEE - i.e. the 16 member countries of geographical Europe without CEE and HU. (1. Austria, 2. Belgium, 3. Cyprus, 4. Denmark, 5. Finland, 6. Germany, 7. Greece, 8. Iceland, 9. Israel, 10. Netherlands, 11. Norway, 12. Spain, 13. Sweden, 14. Switzerland, 15. Turkey, 16. UK)
- Other non-European countries - i.e. the 10 countries of the continents beyond Europe. (1. Australia, 2. Brazil, 3. Canada, 4. China, 5. Japan, 6. Mexico, 7. Nepal, 8. USA, 9. Uzbekistan, 10. Venezuela)

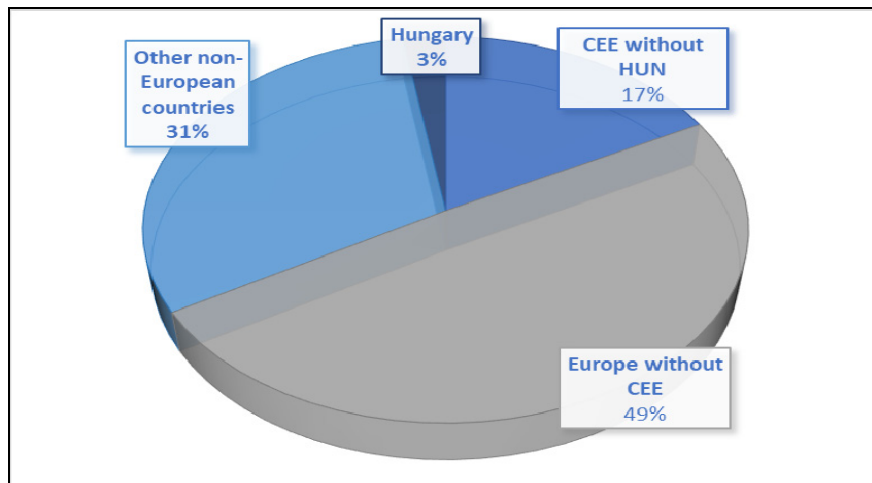


Figure 1: Proportion of organizations from the four regions in the Cranet 2021/2022 survey

Source: Own editing based on the Cranet 2021-2022 database

In relation to training and development, I analyzed the data from two chapters of the standardized questionnaire: the first part of the set of questions also asks who in the given organization is responsible for the policy issues of HR areas: the managers, the managers in consultation with the HR department, the HR department in consultation with the managers or specialists of the HR department. And the third part also deals with issues related to the areas of personnel development, more specifically, it is interested in the extent to which organizations use different methods for development or career management.

The frequency of use of the following methods can be answered in the questionnaire on a four-point scale: 1, Job enrichment 2, Off-the-job training 3, On-the-job training 4, Developmental assignments /projects 5, Formal network/relationship building program 6, Formal career plans 7, Evaluation and development center 8, Succession plans 9, Planned regional and/or job movements/rotation 10, High potentials programs 11, International assignments 12, Coaching 13, Mentoring 14, E-learning and digital learning 15, Career counseling.

Mainly in this section, Hungarian or even Central and Eastern European specificities can be highlighted: in the case of Hungary, for example, "the dominant decision-making mode is the decision taken by (top) managers independently (without prior consultation of HR professionals)." (Balogh et al., 2022:36) These differences are also apparent when looking at the field of training and development, especially when compared to global or other country groups:

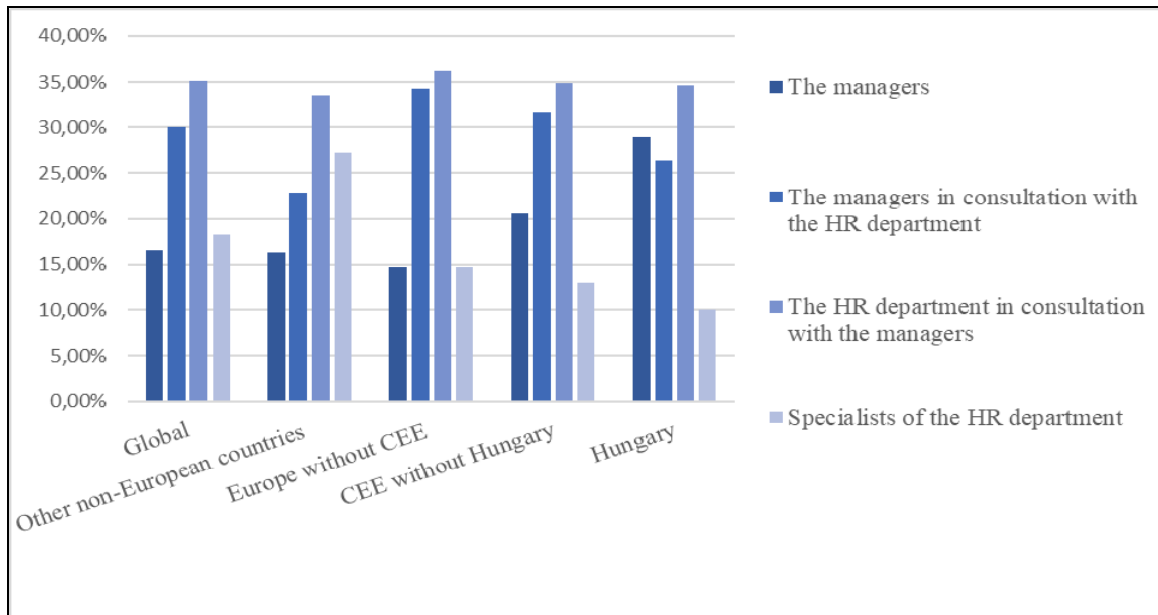


Figure 2: Decision-makers responsible for training and development policies in the Cranet 2021/2022 survey, in percentage

Source: Own editing based on the Cranet 2021-2022 database

Managers are the decision-makers in Hungary most of the time, while the HR department has the least say. The differences are "partly due to the fact that in our region - and thus in the Cranet sample - there is less proportion of larger organisations with typically higher levels of HR expertise and more advanced HR work." (Karoliny et.al., 2020:33)

3.2. Primary results

Among the methods used for development or career management in Hungary, e-learning and digital learning, on-the-job training, developmental assignments/projects and mentoring are the most common. (Figure 3) This broadly follows the global and other country group priorities, although with a lower weighted average. A fifth method worth mentioning is off-the-job training, which is included in the top four methods outside the global sample, in European countries without CEE, and in CEE countries (without Hungary).

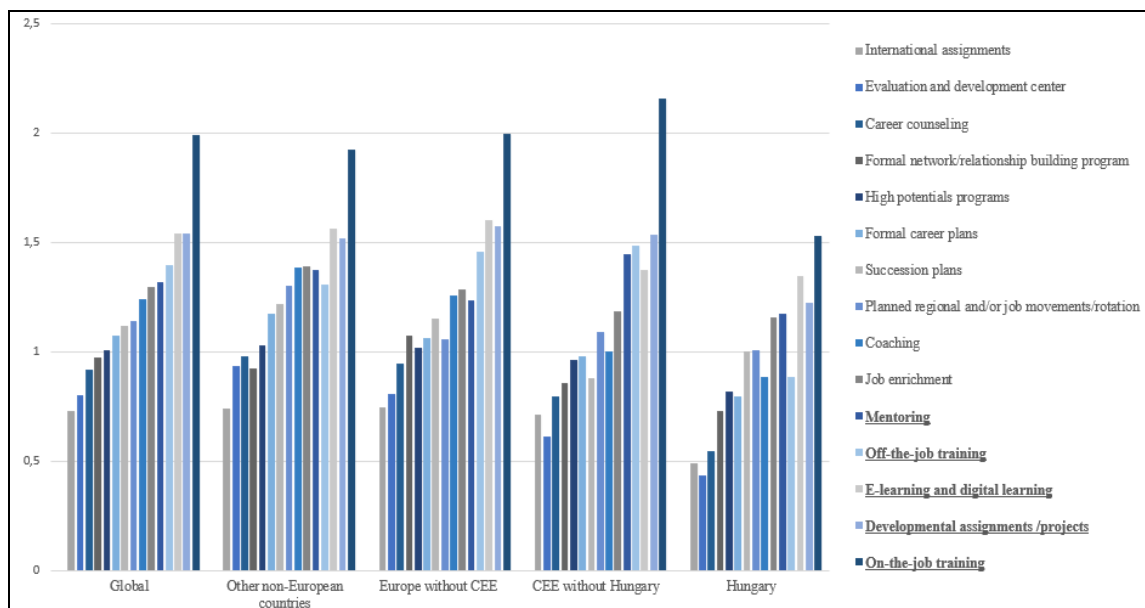


Figure 3: Ranking of the weighted average of methods used for development or career management in the Cranet 2021/2022 survey

Source: Own editing based on the Cranet 2021-2022 database

Compared to the previous surveys, a reorganization can be observed in the Hungarian and Eastern European labor markets. "The employers here are now faced with the fact that, in addition to salary increases, tools such as flexible employment, learning support or providing a pleasant working environment and innovative work tools have become a real holding force." (Karoliny et al., 2020:20)

3.3. The research method and the hypothesis

The data used from the CRANET database can be used not only for the use of descriptive statistics, but also for significance analyzes for measuring and checking the closeness of relationships (Chi-square test, calculation of Cramer's association coefficient values) and for drawing correspondence maps. I used the SPSS program for this. The tools used were suitable for checking and partially confirming the veracity of my starting hypothesis.

Using a different method to investigate the discrepancies observed on the basis of descriptive statistics, I analysed whether the significance of who and how training development decisions are made can be identified in terms of HR decision-making and its actors.

Hypothesis: The less exclusively managers make decisions on training-development issues, the more the organisation decides in favour of the methods used for development and career management, mainly five methods: e-learning and digital learning, on-the-job training, developmental assignments/projects, mentoring and off-the-job training.

3.4 Research results

The data in the first table show that in both the global and country group samples, decision making on training and development is significant for the five selected methods, i.e. there is a relationship between the selected criteria, with one exception: mentoring in Hungary with a p-value of 0.131 is well above the standard significance level of 0.05.

The closeness of the relationships between the criteria is weak according to the Cramer indicators. If a ranking were to be made between the country samples examined, Hungary, with a value above 0.2, would be ahead of the other country groups or even the global sample.

Table 1: Relationships between HR decision-making on training and development and the five methods used for development and career management in the global sample and the 4 country groupings

	1. off-the-job training				2. on-the-job training				3. Developmental assignments /projects			
	N	Chi-Square	Cramer	P value	N	Chi-Square	Cramer	P value	N	Chi-Square	Cramer	P value
Global	5260	138,628	0,094	<0,001	5351	114,067	0,084	<0,001	5241	81,497	0,072	<0,001
Other non-European countries	1655	44,607	0,095	<0,001	1714	58,295	0,106	<0,001	1663	35,985	0,085	<0,001
Europe without CEE	2455	25,665	0,059	0,002*	2481	51,021	0,083	<0,001	2442	29,756	0,064	<0,001
CEE without Hungary	993	96,921	0,180	<0,001	1000	34,024	0,106	<0,001	980	66,549	0,150	<0,001
Hungary	157	30,377	0,254	<0,001	156	26,971	0,240	0,001*	156	26,754	0,239	0,002*

	4. Mentoring				5. E-learning and digital learning			
	N	Chi-Square	Cramer	P value	N	Chi-Square	Cramer	P value
Global	5272	76,837	0,070	<0,001	5319	139,74104	0,0940	<0,001
Other non-European countries	1720	37,641	0,085	<0,001	1735	62,398	0,109	<0,001
Europe without CEE	2415	23,561	0,057	0,005	2450	27,302	0,061	0,001*
CEE without Hungary	980	33,730	0,107	<0,001	976	43,045	0,121	<0,001
Hungary	157	13,758	0,171	0,131	158	26,986	0,239	<0,001

Source: Own editing based on the Cranet 2021-2022 database

Based on the results of the cross-tabulations, correspondence maps can be used to graphically illustrate the most obvious relationships. In the maps, variables of similar nature are clustered close to each other, which makes it easier to understand and analyse the relationship between them. To perform the analysis, I used the Correspondence program (Analyze/Dimension Reduction/Correspondence Analysis) of the SPSS 27 software package. From each of the global sample and the four country groupings, I highlighted the most dominant pattern based on the strength of the Cramer indicators.

3.4.1. Global pattern

In the global sample, the closeness of the relationships between the variables is strongest for "E-learning and digital learning", based on the Cramer indicators: here the outputs of the two variables show a characteristic co-movement.

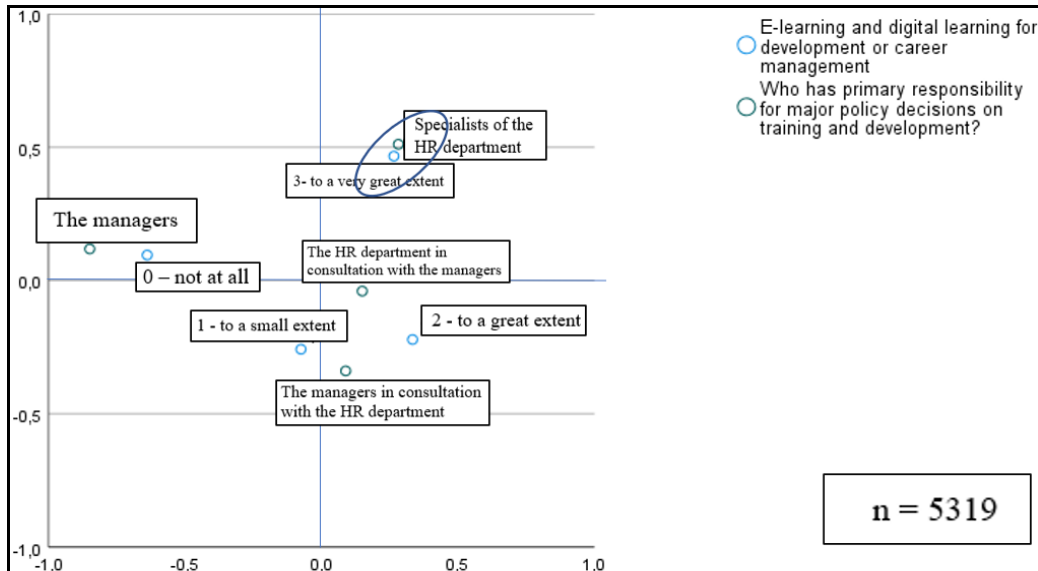


Figure 4: HR decision-making on training development and the relationship between e-learning and digital learning in a global sample

Source: Own editing based on the Cranet 2021-2022 database

The HR department can be said to be very much responsible decision-makers for E-learning/digital learning, but managerial decision-making associates with the category not at all.

3.4.2. Pattern of other non-European countries

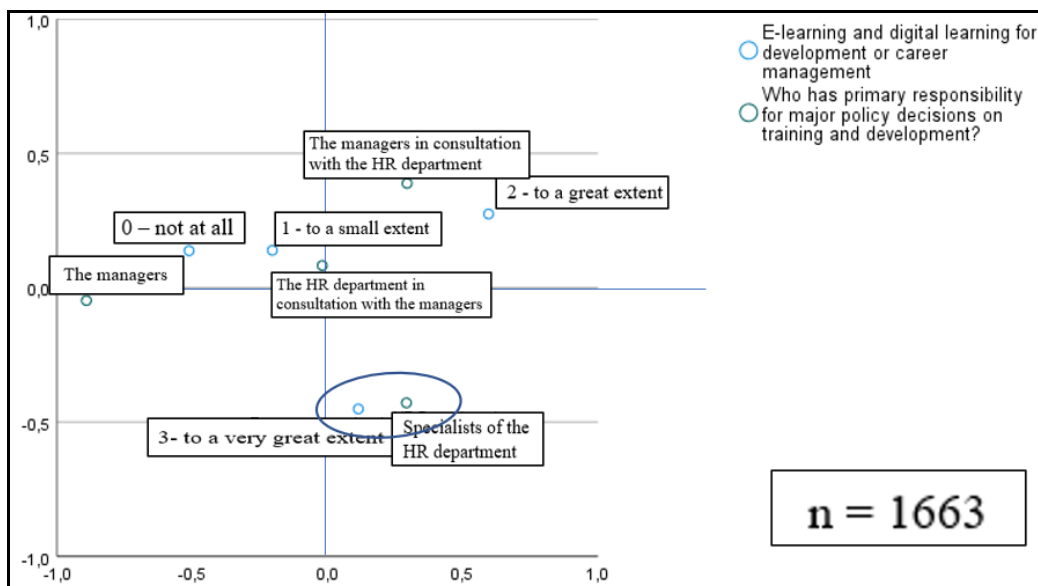


Figure 5: HR decision-making on training development and the relationship between e-learning and digital learning in a sample of "Other non-European countries"

Source: Own editing based on the Cranet 2021-2022 database

In other non-European countries have the specialists of the HR department also an important role in the same training and development method, like in the global sample: the HR managers are the main decision-makers for E-learning and digital learning.

3.4.3. Pattern of Europe without CEE (Central and Eastern European) countries

Cramer indicators were lowest in this group of countries, with on-the-job training standing out marginally from the others with an indicator of 0.083.

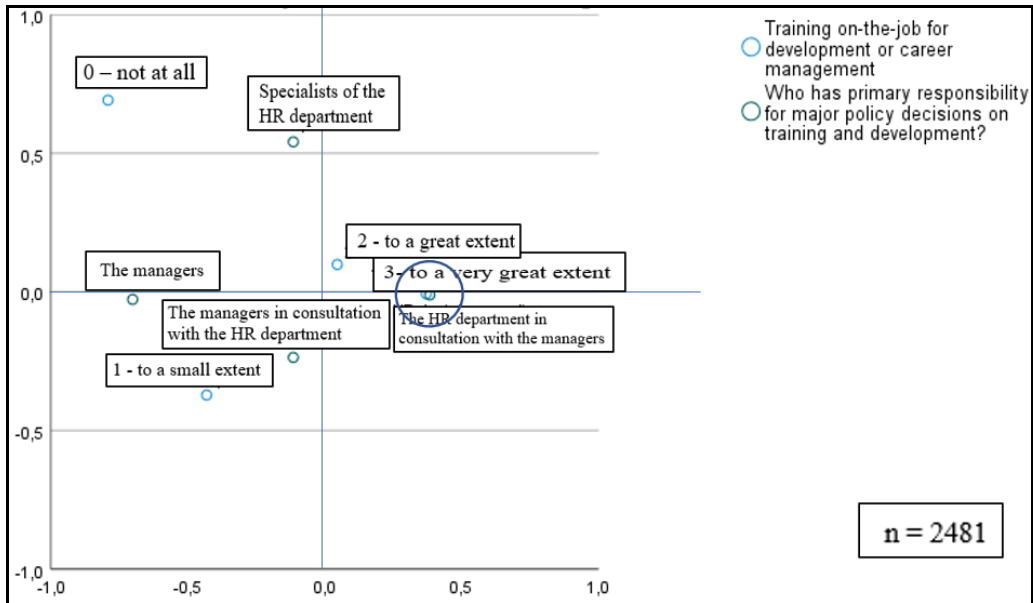


Figure 6: HR decision-making on training development and the relationship between on-the-job training in a sample of “Europe without CEE”
Source: Own editing based on the Cranet 2021-2022 database

For the 16 European countries in the country group, collective consultation was the guiding factor in the decision to provide on-the-job training, and by the largest margin.

3.4.4. CEE (Central and Eastern European) countries without Hungary

For the 10 former socialist countries, the Cramer indicator is higher for off-the-job training (0.18).

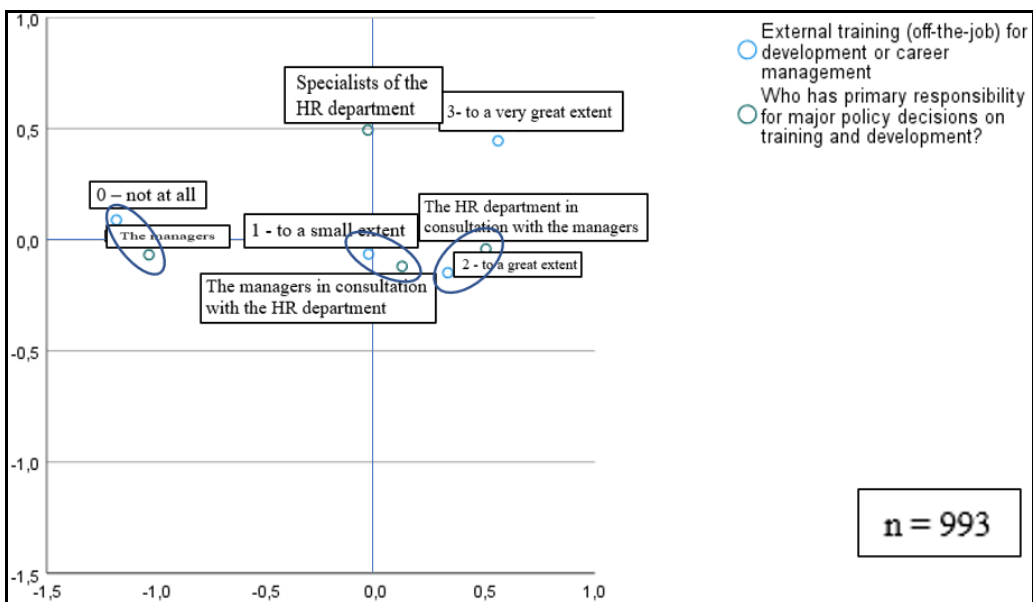


Figure 7: HR decision-making on training development and the relationship between off-the-job training in a sample of “CEE countries without Hungary”

Source: Own editing based on the Cranet 2021-2022 database

In terms of associations, there are three common co-occurrences: the HR department, if not the largest, is largely involved with management in making decisions on off-the-job training, management involvement is only slightly with HR managers, while only managers have no decision-making role at all.

3.4.4. Hungary

Hungary has the highest Cramer coefficient, including 0.254 for off-the-job training, which is also the highest in the closeness of the relationships between the criteria.

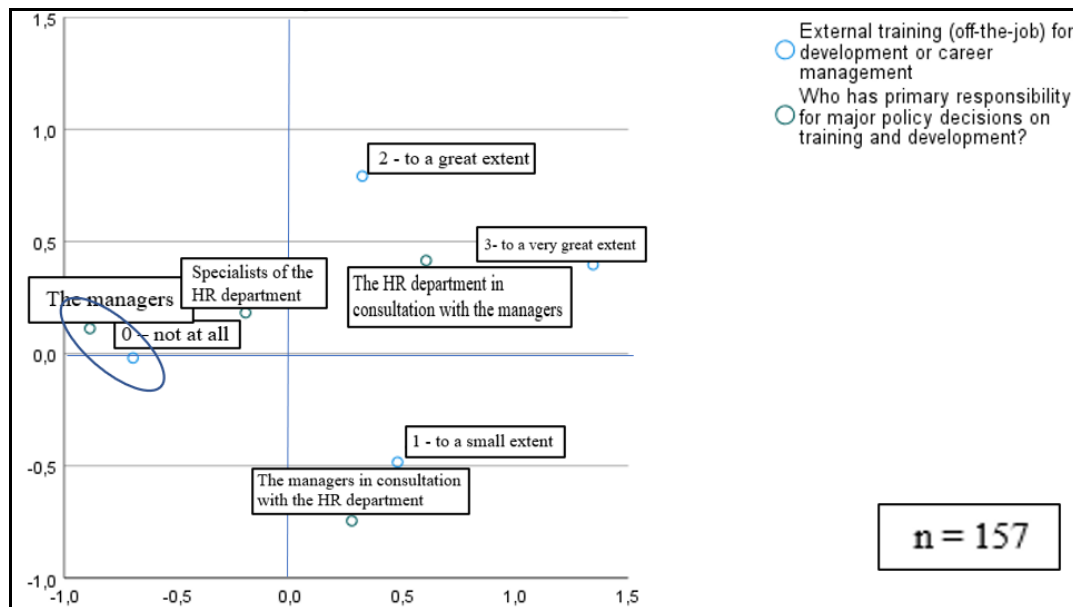


Figure 8: HR decision-making on training development and the relationship between off-the-job training in a sample of Hungary

Source: Own editing based on the Cranet 2021-2022 database

What is most obvious is that the decision making of managers is not decisive at all, and there is no strong association between the other criteria.

4. CONCLUSION

On the basis of the initial hypothesis, we tried to investigate and support with statistical methods that the less exclusively managers make decisions on training and development issues, the more the organisation decides in favour of development and career management methods, mainly five methods: e-learning and digital learning, on-the-job training, developmental assignments/projects, mentoring and off-the-job training.

As described in the findings, there is a significant level of decision making related to training development for the five selected methods, i.e., there is a relationship between the selected criteria, with only one exception (mentoring in Hungary).

The correspondence maps gave a particular colour to the data presented in the descriptive statistics: Even in the case of Hungary, it was shown that, at least for the selected methods used for development or career management, the managerial decision is not decisive in the decision-making process for training development. In addition, based on the different groupings, it was possible to identify relationships that were spectacularly co-associated, and these have been illustrated in the figures.

As a limitation for our research, we can state that the reasons of the findings can be various in the different countries and regions. There are many cultural, social, historical influencing factors in the background that cannot be analyzed in frame of CRANET questionnaire. Some other general issues could be segmented in specific fields as well, e.g., the sectoral impact or the size of the company. The managers can have other roles and power in different firms. The influence of the HR experts and other decision-makers can be heterogenous, so in the future research direction we have to analyze these impacts in order to form a clearer picture.

Our practical implication is that the managers can be more aware in connection with decision-making in training & development and career programs, if they realize our findings. The managers take many other (e.g., financial) questions into consideration, but our results can show them, that their role sometimes can hinder the development of colleagues

and other partners in the decision-making process can play a moderating role in this issue. So, the managers can take advices of HR managers in training and development questions with greater emphasis and share the control and power with experts who are in charge of these special themes.

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