
| RESEARCH ARTICLE

Critical Assessment of Training and Development Practices in China's Pharmaceutical Fund and Supply Agency: Challenges and Strategic Recommendations

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| ABSTRACT

The primary objective of this paper was to evaluate the training and development practices at a pharmaceutical fund and supply agency. To achieve this, a sample of 208 non-managerial staff members and 10 managerial staff members was selected using a simple random sampling technique. Data collection methods included self-administered questionnaires, interviews, and data analysis. The questionnaire data was analyzed using descriptive statistics, specifically frequency and percentage. Additionally, the interview and document review data were analyzed to identify patterns and themes from the participants' responses. The findings of the study revealed several weaknesses in the agency's training and development practices, including inadequate selection criteria, ineffective training methods, insufficient training duration, insufficient training content, and a lack of a comprehensive training policy. Notably, the agency did not prioritize pre-training evaluations, which could have helped assess the cost-benefit of the human resource training and development program. On the positive side, the agency's management development programs have shown significant relevance in enhancing the current job performance of its staff. However, the document review revealed the 'absence of a training development section or unit with qualified staff and adequate financial resources to facilitate training and development functions. To address these weaknesses, the agency should leverage its strengths and implement clear and scientific principles for human resource training and development. Frequency distribution was used to present the individual results of the study. Relevant literature was also reviewed to support the findings.

| KEYWORDS

Corporate Social Responsibility, Economic Responsibility, Legal Responsibility, Ethical Responsibility, Philanthropic or Discretionary Responsibility and Organization Performance

| ARTICLE INFORMATION

ACCEPTED: 01 April 2024

PUBLISHED: 06 May 2025

DOI: 10.32996/jbms.2025.7.3.2

Introduction

Training is a crucial aspect of human resource management, aimed at equipping employees with the knowledge, skills, and behaviors necessary for successful job performance. It is essential for organizations to create intellectual capital, which includes fundamental skills, advanced skills, understanding of the customer or manufacturing system, and self-motivated creativity. Weretaw (2021) and Fugate et al. (2021) emphasize the importance of training in industries experiencing rapid technological advancements. Noe (2021) and Subha (2021) further emphasize the need for training and development to enhance an employee's performance by improving their ability to perform through learning.

Training and development offer employees personal growth within the company while providing the organization with the knowledge and skills necessary to gain a competitive edge. Flexible training delivery methods, such as online learning, can

foster employee commitment and improve company growth. Wilson and Hash (2020) emphasize that training is a crucial strategy for employees to acquire the appropriate knowledge and skills to address evolving environmental challenges.

Investing in employee training is a significant expense to stay competitive in today's market, but ensuring its effectiveness requires a long-term approach. A quality training plan can yield a significant return on investment in terms of financial value. Stephen et al. (2020) study reveals the link between training and employee productivity, leading to increased employee and customer satisfaction.

In today's competitive global economy, organizations strive to differentiate themselves by leveraging the abilities, information, and enthusiasm of their workforce. A recent report by the American Society for Training and Development reveals that organizations are spending over \$126 billion annually on employee training and development. Training is a crucial component of strategic human resource management, serving as a means to modify behavior and motivation, aiming to contribute positively to performance and productivity.

Training and Development Perspectives in the Chinese Context

Armstrong (2019) highlights three approaches to employee training and development in China's rapidly evolving economic landscape. The laissez-faire philosophy assumes employees acquire skills through apprenticeships or informal knowledge transfer. The second approach prioritizes training during economic growth but cuts during financial downturns. The third approach aligns with a proactive training philosophy, where companies like Huawei, Alibaba, and Tencent continuously invest in employee development to maintain global competitiveness. This aligns with China's national policies, such as the 14th Five-Year Plan (2021-2025), which emphasizes workforce development, digital transformation, and lifelong learning. As Armstrong suggests, training and development are increasingly seen as long-term investments in the Chinese business environment.

The Meaning and Importance of Training and Development

Desimone et al. (2021) emphasize the importance of Human Resource Development (HRD) in the Chinese business environment, where companies invest in long-term employee development strategies to maintain global competitiveness. HRD involves introducing, directing, and guiding employees to ensure they are equipped with the necessary competencies for current and future job roles. Effective HRD programs require strong leadership, immediate supervisor involvement, and alignment with corporate strategies. Khan (2021) highlights the need for vocational training, digital upskilling, and continuous professional development. Thomas and Ely (2021) emphasize the importance of diversity, equity, and inclusion in recruitment and selection processes. In China, as workplaces become more multicultural, HRD strategies must incorporate cultural competence training. These training and development approaches are essential investments for long-term business success.

Management Development

Thomson and Carter (2019) have highlighted the importance of management development in enhancing leadership skills, decision-making abilities, and strategic thinking. They noted that organizations are shifting away from one-size-fits-all training and customizing it to meet different management levels. In China, leaders are encouraged to pursue continuous professional education, attend global leadership programs, and participate in mentorship initiatives. However, formal management training remains crucial, particularly executive coaching, which is valued but often limited by cost and availability. This approach is essential for maintaining corporate agility and long-term business success in China's dynamic economic landscape.

Implementation and Evaluation of Training and Development Program

Harris et al. (2020) emphasize the importance of effective training and development programs. They emphasize the need for trainers to create a conducive learning environment, ensuring trainees are comfortable and focused. Key aspects of implementation include selecting the training location, arranging facilities, scheduling sessions, conducting training, and monitoring progress. Evaluation is crucial in assessing the effectiveness of training and serving as a training aid. Despite various methods, training evaluation remains a weak and underdeveloped area, but it can offer feedback, link learning outcomes with objectives, ensure cost-effectiveness, and influence organizational decision-making.

Theoretical Framework

This study on training and development practices at the Pharmaceuticals Fund and Supply Agency in China is grounded in several key human resource development (HRD) theories that explain how training impacts employee performance and organizational effectiveness.

First, Becker's Human Capital Theory (1964) suggests that investment in employee training enhances skills, knowledge, and productivity, benefiting both individuals and the organization. This aligns with the agency's goal of improving workforce competency through training initiatives. Additionally, Kolb's Experiential Learning Theory (2021) emphasizes learning as a continuous process, where individuals acquire skills through experience, reflection, and application. This theory supports the study's focus on assessing whether the agency's training methods effectively enhance employees' ability to perform their tasks.

Furthermore, Kirkpatrick's Four-Level Training Evaluation Model (1959, 2020) provides a structured approach to assessing training effectiveness by measuring reaction (employee satisfaction), learning (knowledge gained), behavior (application of training), and results (organizational impact). This study examines whether the agency systematically evaluates its training programs using these levels. Another relevant framework is the Systems Theory of Training (Goldstein & Ford, 2021), which outlines a structured process involving training needs assessment, training design and implementation, and training evaluation. This theory is particularly applicable as it highlights the importance of a systematic approach in improving training effectiveness.

Based on these theories, the study evaluates training and development practices at the agency by examining key variables. The independent variables include training needs assessment, training methods, training implementation, and training evaluation, while the dependent variables are employee satisfaction and job performance. By applying these theoretical perspectives, the study aims to provide insights into how the agency's training programs contribute to employee development and organizational success, while also identifying areas for improvement.

Conceptual Framework

Guided by the theoretical framework, the researcher will develop a conceptual framework as shown below.

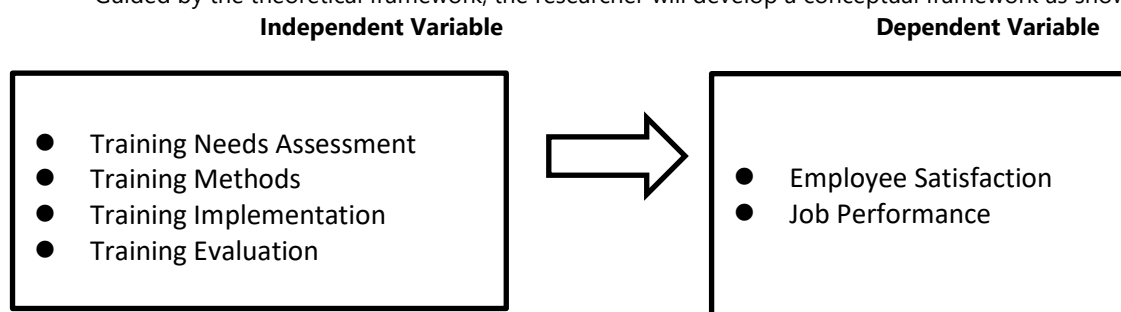


Figure 1. Conceptual Framework of the Study

The conceptual framework of this study is designed to establish the relationship between training and development practices and their impact on employee performance and satisfaction within the Pharmaceuticals Fund and Supply Agency in China. It is built upon key HRD theories and models that highlight the importance of structured training programs in improving organizational effectiveness.

At the core of the framework, training and development practices act as the independent variables, influencing employee performance and job satisfaction. These training practices include: *Training Needs Assessment*. The process of identifying skill gaps and determining the training requirements necessary for employees to perform effectively; *Training Methods*. The techniques used to deliver training, such as on-the-job training, workshops, seminars, online courses, and mentoring programs; *Training Implementation*. The execution of training programs, including the quality of instruction, relevance of training content, and the availability of resources. *Training Evaluation*. The assessment of training effectiveness using models such as Kirkpatrick's Four-Level Evaluation Model, focusing on reaction, learning, behavior, and results.

These independent variables directly affect the dependent variables, which are: *Employee Satisfaction*. The extent to which employees perceive the training as beneficial, engaging, and applicable to their job roles; and *Job Performance*. The measurable improvement in employees' skills, efficiency, and productivity as a result of training interventions.

The conceptual framework assumes that effective training and development practices lead to higher employee satisfaction and improved job performance. When training programs are well-structured, aligned with employee needs, and systematically evaluated, employees are more likely to feel valued, motivated, and competent in their roles. Conversely, ineffective training programs—those that lack proper needs assessment, structured implementation, or systematic evaluation—may result in employee dissatisfaction and minimal performance improvement.

Significance of the Study

This outcome of the study will have its importance to the following individuals and groups.

Pharmaceutical Fund and Supply Agency. The agency can use the findings to improve its training and development programs, ensuring better workforce performance and efficiency.

Employees of the Agency. Staff members will benefit from enhanced training programs that align with their job roles, improving their skills, job satisfaction, and career growth.

Management and HR Department. The study provides insights into the effectiveness of training initiatives, helping management and HR professionals develop more structured and impactful training policies.

Government and Regulatory Bodies. Policymakers and regulators can use the study's findings to set standards and guidelines for training and development practices in similar organizations.

Academia and Researchers. Scholars and students can utilize the study as a reference for future research related to training and development in public agencies.

The Public and Healthcare Sector. Improved employee training in the agency can lead to better service delivery in the pharmaceutical and healthcare supply chain, benefiting the public and healthcare institutions.

Statement of the Problem

To address the research objective and problem outlined, the following key questions were formulated:

1. What is the current state of training needs assessment activities within the agency?
2. What training methods are utilized for employee training and development?
3. How suitable are the training and development programs in preparing employees for their roles within the agency?
4. What evaluation processes are implemented for training and development programs?
5. What criteria are used to measure the effectiveness of training and development initiatives?
6. To what extent are employees satisfied with the agency's training and development practices?

Research Design

The study used a mixed-methods research approach to analyze training programs at the Pharmaceutical Fund and Supply Agency Head Office in China. Quantitative research involved collecting and analyzing numerical data on employee training experiences and perceived effectiveness, while qualitative research involved in-depth interviews and document analysis to understand employees' perspectives on training challenges and areas for improvement. A descriptive survey design was used to assess existing training practices and challenges, providing a real-time snapshot of the organization's training efforts. The study population consisted of 476 individuals, including 458 employees and 18 managers, from a Chinese financial institution. A systematic sampling approach was employed to ensure a representative sample and unbiased selection across different work units.

Results and Discussions

The Pharmaceuticals Fund and Supply Agency head office has a predominantly male workforce, with 71.62% of non-managerial staff being male. Males hold a significant portion of managerial positions, accounting for 83.33% of the total. This under-representation of females in leadership roles and other positions highlights the need for efforts to promote female empowerment and increase female recruitment. Out of 209 questionnaires distributed, 97.12% were successfully collected from employees, while only 70% were returned by managers. The majority of respondents (67.94%) were male, with the largest group (36.36%) falling within the 25-35 age range. The agency's workforce is predominantly male and consists of young and energetic employees, contributing to its competitive advantage. The majority of respondents (94.74%) believe their current position and specialization are well-matched, but there is still a need to enhance job-role alignment by improving training and development programs.

The organization employs both on-the-job and off-the-job training methods for employee development. On-the-job training is conducted at the workplace to enhance skills, while off-the-job training takes place outside the work environment to develop competencies of both managerial and non-managerial employees. The data suggests that while the agency prioritizes on-the-job training, there is comparatively less emphasis on integrating both training approaches for comprehensive employee development.

The training and development evaluation process is conducted after training sessions, with the majority (62.68%) of respondents indicating that evaluations take place after training sessions. There is minimal emphasis on pre-training evaluations, which could play a crucial role in assessing cost-benefit factors and enhancing the overall effectiveness of future training programs.

The agency does not regularly analyze management development needs as a structured, need-oriented effort, which is essential for identifying skill and knowledge gaps among employees. The agency utilizes organizational analysis, task analysis, and person analysis for identifying management development needs. However, less emphasis is placed on person analysis, which may impact the effectiveness of individualized training initiatives.

The management development program at the Pharmaceutical Fund and Supply Agency aims to enhance job performance and organizational productivity by updating managers' skills and knowledge. A majority of participants (85.71%) found the program highly or moderately relevant, indicating its positive impact on managerial performance and overall organizational effectiveness. However, only 14.29% of management staff confirmed that the organization conducts evaluations to assess the effectiveness of the program. This suggests that the agency faces challenges in evaluating its human resource development efforts, with only a small percentage of respondents aware of the evaluation process.

Measurement criteria used to evaluate the effectiveness of specific programs include reaction (28.57%) and ultimate value (42.86%), as well as job behaviors (14.29%) and learning (14.29%). Most participants evaluate their learning experience

based on their perceptions of the trainer, teaching methods, engagement in the learning process, and overall satisfaction with the program. The agency also considers the broader impact of training and development by assessing how it contributes to organizational goals, sustainability, and growth (ultimate value).

The management development program at the Pharmaceutical Fund and Supply Agency does not fully integrate the most relevant and necessary topics, highlighting the need for improvement in the inclusion of essential management training content. Strengthening these areas would enhance managerial capabilities, leading to more effective execution of responsibilities and better alignment with the agency's long-term strategic goals.

The study aimed to assess the effectiveness of a non-management staff training and development program in the pharmaceutical fund and supply agency head office. A questionnaire was distributed to 208 non-management staff, with 94.55% of respondents having received some form of training during their tenure. The training provided by the agency positively impacted employee job performance, with 93.56% of respondents reporting a positive perception of the training program. However, 6.44% of respondents did not experience significant improvement due to the training, suggesting that some employees may have received training that was not suitable for their needs. The majority of non-management staff believe that individual training plays a crucial role in enhancing organizational performance, and the agency should focus on continuous employee training to maximize the benefits of improved individual performance. However, 14.36% of respondents do not consider training to be the primary factor in performance improvement. The study also revealed that trainee satisfaction levels were high, with a high satisfaction rate for the training process, methods, training periods, trainer's skills, and training policies.

The study reveals that the majority of respondents (40.6%) are less satisfied with trainee selection criteria, training methods, adequacy of training duration, relevance of training content, and training policies. However, they show greater satisfaction with the evaluation of training, training objectives, training facilities, and trainer competencies, suggesting positive progress in these areas.

The findings highlight inconsistencies in employee satisfaction, indicating a need for a more comprehensive and balanced approach to training development within the agency. The agency invests in management development initiatives to enhance employee skills and productivity, providing educational opportunities through local colleges, universities, and scholarships sponsored by the agency. Adequate funding is allocated at the beginning of each fiscal year to ensure the effective execution of these initiatives, with support from stakeholders and partners.

Training facilities are rated favorably, with 45.5% of respondents being very strongly satisfied and only 3.5% expressing dissatisfaction. Training evaluation is more balanced, with 30.2% of respondents being satisfied.

The agency also invests in management development initiatives to enhance employee skills and productivity. However, the agency does not face significant financial constraints in implementing training and development programs, and the agency does not conduct comprehensive evaluations of its training programs.

Conclusion

The agency's training and development needs are primarily assessed through organization and task analysis, with a focus on on-the-job training (OJT) and local training programs. However, transparency in the selection process and a lack of structured goal-oriented assessment of management development needs remain concerns. Employees express dissatisfaction with aspects of the training system, such as selection criteria, training methods, duration, and content. They are more satisfied with evaluation processes, objectives, facilities, and trainers' competence. Most employees are placed in roles aligning with their qualifications and expertise. A significant limitation is the absence of a dedicated training and development unit, resulting in ineffective management and administration of training and development programs.

Recommendations

The Pharmaceutical Fund and Supply Agency should adopt a comprehensive training approach, including both managerial and non-managerial staff, to address challenges in employee training and development practices. This includes balancing on-the-job and off-the-job training methods, prioritizing pre-training evaluations, and regularly assessing training needs. A personalized approach to training needs assessment should be adopted to align employee skills with job roles. The agency

should improve selection criteria and training structure, strengthen partnerships with key stakeholders, ensure proper job placement, provide training for new employees, commit to consistent training programs, and invest in continuous training to keep employees updated with modern technologies and industry competition. Future research should focus on expanding research scope, assessing the impact of training on employee performance, evaluating the impact of training on organizational performance, and identifying factors affecting training and development.

Funding: This research received no external funding.

Conflicts of Interest: The authors declare no conflict of interest.

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