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The impact of employee training and skills development on the growth of financial companies

Abstract. Training and development of employee skills in financial companies is of great importance. This article examines the impact of training and skills development on the growth and better performance of financial companies. The statistical population in this study is employees and managers of financial companies in Tashkent, Uzbekistan during the years 2020-2024, who were randomly selected, and the following results were obtained: 1) Trained managers perform better and are more effective in establishing human relations and creating an intimate environment than untrained managers from the perspective of teachers. 2) Trained managers perform better and are more efficient in giving importance to employee training. 3) Trained managers perform better in welcoming changes and innovations in the organization. 4) Trained managers have higher performance in terms of self-confidence in doing things than untrained managers. 5) Trained managers perform better in terms of complying with job descriptions than untrained managers from the perspective of teachers. Also, the positive effects of training on improving employee performance and organizational growth were examined. Effective strategies for implementing training and skills development programs in financial companies are also examined. Finally, the importance of measuring and evaluating performance after training and skills development is emphasized, and criticisms and suggestions for improving these programs are presented.

Keywords: Financial Company; Human Resource Management; Training; Skill Development; Employee; Manager; Innovation

JEL Classifications: E24; E41; E64; I18; J28; J31

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1. Introduction and Brief Literature Review

The third millennium is the era in which we live, an era of rapid change and transformation. In such an environment, organizations, especially financial companies, must be constantly ready for changes and confront changes, and based on the theory that every system is affected by its superior system, they must coordinate themselves with its developments; because there is no other way to survive (Trirahayu, 2023). The need for management and leadership of managers who can solve organizational problems in this accelerated era is quite tangible, and this feeling is more important in financial organizations that are the foundation of all businesses and activities. Therefore, it is necessary for managers and employees to have sufficient knowledge and experience, meaning that managers, in addition to having commitment and individual and social competencies, must be equipped with up-to-date science and knowledge and keep up with developments (Alsafadi & Altahat, 2021; Morandini et al., 2023; Grosu et al., 2021). Therefore, by training competent employees for financial companies, the quality of all professions can be improved.

Today, the effective life of organizations is possible through the work of knowledgeable, skilled, creative and capable managers and employees. Peter Drucker says about the importance of managers in the organization that managers are the rarest and at the same time the most valuable capital of organizations (Jayathilake et al., 2021). Therefore, in the information century, organizations have no choice but to equip their managers and employees with weapons to coordinate with the advanced world, and this will not be possible unless in-service training is used to improve the scientific level of managers and employees. Several recent studies have reported a positive and significant relationship between training and productivity at the firm level (Komljenovic, 2021; Emon & Nipa, 2024; Bjelica et al., 2023). It is evident that training and skill acquisition of employees increasingly play a significant role in organizations. It is believed that training can increase the capabilities of organizations while simultaneously reducing costs (Posnaya et al., 2024).

In this study, researchers have presented one main hypothesis and five sub-hypotheses based on literature and background as well as personal experiences as:

a) Main hypothesis:

There is a relationship between managers' training and their efficiency, in such a way that trained managers are more effective and efficient than untrained managers.

b) Sub-hypotheses:

- 1 trained managers perform better than untrained managers when establishing human relations and creating an intimate and friendly environment.
- 2 Trained managers attach more importance to in-service training of employees than untrained managers.
- 3 Trained managers welcome changes and innovations more than untrained managers.
- 4 Trained managers have more self-confidence than untrained managers in managing training matters.
- 5 Trained managers perform better than untrained managers in fulfilling their job duties.

2. Method

From the perspective of the business life cycle, the skills associated with it change throughout the life of the business. These skills are mainly focused on the entrepreneur and its creator during the birth and growth of the business. In addition to specialized skills (hard skills), he must also be equipped with multiple soft skills (refer to the article Soft Skills). However, after stability and reaching maturity, the set of skills is distributed among his assistants (managers and employees) and becomes more specialized. The required soft skills are also distributed among the members of the organization so that the mastery of each member in a part of the soft skills is sufficient to advance organizational goals. In this article, we will first discuss the set of key business skills in the maturity and post-maturity period, which is focused on the set of employees in the company or organization, then explain and describe the skills required in the period of business formation (see Figure 1), the time of establishment and growth.

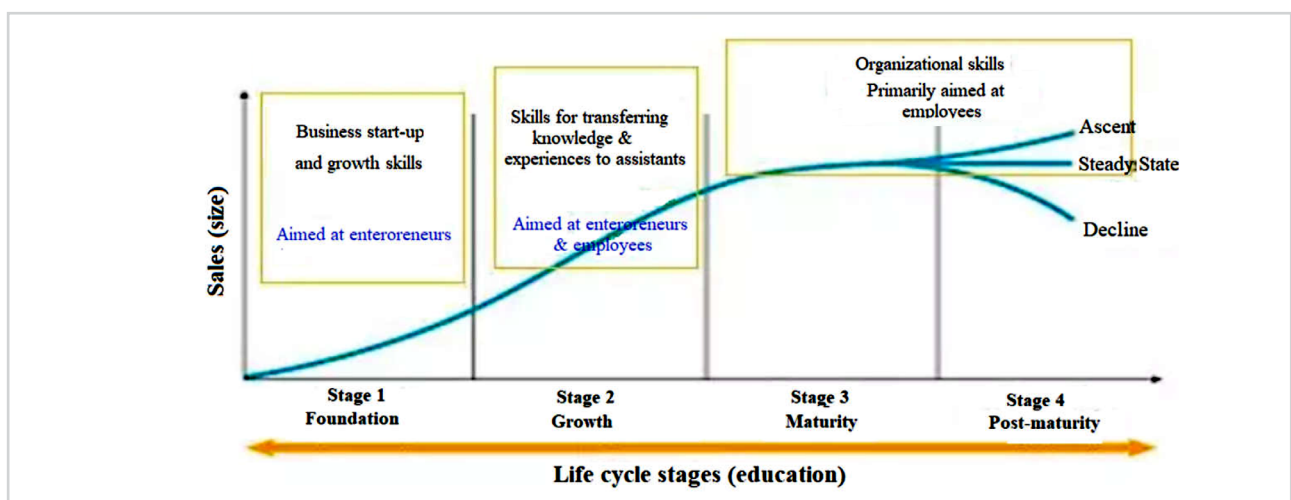


Figure 1:
Life cycle of education stages

Source: Developed by author based on Richards (2018)

This research is a descriptive field study and in terms of its purpose and results, it is an applied research. The statistical population was the employees of financial companies in Tashkent, Uzbekistan, consisting of managers and employees of 1500 people, of whom 800 were selected as a sample using the Krejcie and Morgan approach with a simple random sampling method. Demographic characteristics were studied in three main indicators, including:

- 1) Experience (separated into 1 to 5 years, 6 to 10 years, 11 to 15 years, and 15 years and above).
- 2) Educational field (separated into undergraduate and postgraduate degrees).
- 3) Academic field (separated into engineering, basic sciences, and humanities).

The data collection method was through library and field studies. In library studies, an attempt was made to conduct a detailed study on the effect of employee training and skill learning on productivity and related components. Then, a field study was conducted to obtain the views of employees and managers. Data collection tool: Five-item questionnaire the research options were based on the Likert scale (very much = 5, much = 4, moderate = 3, little = 2, and very little = 1) and contained 30 questions.

The face and content validity of the questionnaire was confirmed by observers and professors, and for reliability, the questionnaire was distributed and collected among 30 sample individuals, and its Cronbach's alpha coefficient was 0.91. Descriptive statistics including: mean, frequency percentage and standard deviation and inferential statistics including: one-sample t-test and multivariate analysis of variance were used to analyze the data.

3. Results

Data description and analysis

To analyze the information obtained from the questionnaire, descriptive statistics and inferential statistics (*T*-test) were used using quasi-software (SPSS). The significance of the difference in teachers' attitudes towards the two groups of trained and untrained managers was determined. Then, the research hypotheses were tested. Since it was not possible to present all the tables related to data analysis, only the tables related to hypothesis analysis are presented.

Hypothesis one: Trained managers perform better than untrained managers when it comes to establishing human relationships and creating an intimate and friendly environment. Questions 1-5 of the questionnaire were used to test this hypothesis as follows. Using the scoring method, the percentage and frequency of scores related to each of the factors examined in this hypothesis were calculated in two groups of trained managers and untrained managers (Table 1).

Table 1:
**Frequency distribution of factors related to Hypothesis 1
(comparison of the amount of human relationships)**

Scale	Poor	Average	Good	Excellent
Trained	20 (2.50)	45 (5.62)	105 (13.12)	630 (78.75)
Untrained	101 (12.62)	220 (27.50)	306 (38.25)	173 (21.62)

Source: Author's own findings

T-test results for Hypothesis one: A comparison of the extent to which trained and untrained managers establish human relations and create a friendly environment (from the teachers' perspective) is presented in Table 2. It shows a significant difference between the two groups.

Table 2:
Comparison of the averages of the two trained and untrained groups

Groups	AVE	SD	Error	Observed T
Trained	23.11	2.93	0.17	12.60
Untrained	18.03	5.01	0.32	

Source: Author's own findings

According to the calculations, the observed *t* value (*tob*) is greater than the critical *t*. $tob = 12.6 \geq tc = 3.22$. Therefore, the null hypothesis (*H0*) is rejected and the opposite hypothesis (*H1*) is confirmed. Considering the above, trained managers perform better and

are more effective in establishing human relations and creating a friendly environment than untrained managers from the teachers' perspective.

Hypothesis two: Trained managers place more importance on in-service training of employees than untrained managers. Questions 6-10 of the questionnaire were used to test this hypothesis as follows. Using the scoring method, the percentage and frequency of scores related to each of the factors examined in this hypothesis were calculated in the trained and untrained managers groups. Table 3 shows the results obtained. The frequency distribution of factors related to hypothesis two comparing the importance given to employee training is seen in Table 3.

Table 3:

Frequency distribution of factors related to comparing the importance given to in-service training of employees by two groups of trained and untrained managers

Scale	Poor	Average	Good	Excellent
Trained	6 (0.75)	24 (3.00)	83 (10.38)	687 (85.87)
Untrained	44 (5.50)	150 (18.75)	411 (51.38)	195 (24.37)

Source: Author's own findings

T-test results for Hypothesis two: A comparison of the importance given to employee training by trained and untrained managers (from the teachers' perspective) is presented in Table 4, which shows the significance of the difference in means.

According to the calculations, the observed t value is greater than the critical t value (t_c). $t_{ob} = 12.91 \geq t_c = 3.22$. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_2) is confirmed. Considering the above, trained managers are more effective in giving importance to employee training than untrained managers from the teachers' perspective.

Table 4:

Comparison of the averages of the two groups of trained and untrained managers

Groups	AVE	SD	Error	Observed T
Trained	29.89	2.77	0.17	12.91
Untrained	18.87	4.85	0.28	

Source: Author's own findings

Hypothesis three: Trained managers are more receptive to changes and innovations than untrained managers. Questions 11-15 of the questionnaire were used to test this hypothesis as follows. Using the scoring method, the percentage frequency of scores related to each of the factors examined in this hypothesis in the two groups of trained and untrained managers can be seen in Table 5.

T-test results for Hypothesis three: Table 6 shows the comparison of the means of variation in the two groups and the calculation of the significance of the difference in means using the (T) test.

Table 5:

Frequency distribution of factors related to Hypothesis 3 (comparison of the level of acceptance of changes)

Scale	Poor	Average	Good	Excellent
Trained	5 (0.62)	22 (2.75)	62 (7.75)	711 (88.88)
Untrained	44 (5.50)	133 (16.62)	291 (36.37)	332 (41.50)

Source: Author's own findings

Table 6:

Comparison of the means of variation in the two groups

Groups	AVE	SD	Error	Observed T
Trained	23.43	2.66	0.15	12.98
Untrained	19.29	4.83	0.28	

Source: Author's own findings

According to the calculations, the observed t value is greater than the critical t . $t_{ob} = 12.98 \geq t_c = 3.22$. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_3) is confirmed. Considering the above, trained managers perform better and are more effective in welcoming changes and innovations than untrained managers from the teachers' perspective.

Hypothesis four: Trained managers have more confidence in managing educational affairs than untrained managers. The frequency distribution of factors related to hypothesis four (comparison of self-confidence in work) is seen in the table below. Here, questions (16-23) of the questionnaire were used to test this hypothesis as follows. Using the scoring method, the frequency percentage of scores related to each of the factors examined in this hypothesis for the two groups of trained and untrained managers is seen in [Table 7](#).

Table 7:

**Frequency distribution of factors related to Hypothesis 4:
comparing the level of self-confidence in tasks**

Scale	Poor	Average	Good	Excellent
Trained	54 (6.75)	42 (5.25)	123 (15.37)	581 (72.62)
Untrained	69 (8.62)	168 (21.00)	455 (56.87)	108 (13.50)

Source: Author's own findings

T-test results for Hypothesis four: Comparing the level of self-confidence in the work of trained and untrained managers from the perspective of teachers ([Table 8](#)).

To compare the means of the two groups of trained and untrained managers and calculate the significance of the difference in means, the T test was used, which can be seen in [Table 8](#) of the results. According to the calculations, the observed value is greater than critical T. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_4) is confirmed. Considering the above, trained managers perform better and are more effective in terms of self-confidence in their work than untrained managers from the teachers' perspective.

Table 8:

**Comparison of the averages of the two groups of trained
and untrained managers regarding the level of self-confidence in their work**

Groups	AVE	SD	Error	Observed T
Trained	36.78	4.12	.25	11.66
Untrained	31.25	7.01	0.41	

Source: Author's own findings

Hypothesis five: Trained managers perform better than untrained managers in fulfilling their job descriptions. Questions 24-30 of the questionnaire were used to test this hypothesis as follows. Using the scoring method, the percentage and frequency of scores related to each of the factors examined in this hypothesis were calculated in two groups of trained and untrained managers, and [Table 9](#) shows the results obtained.

Table 9:

**Frequency distribution of factors related to Hypothesis 5:
compliance with job description**

Scale	Poor	Average	Good	Excellent
Trained	20 (2.50)	22 (2.75)	120 (15.00)	638 (79.75)
Untrained	60 (7.50)	167 (20.87)	480 (60.00)	93 (11.63)

Source: Author's own findings

T-test results for Hypothesis five: The frequency distribution of factors related to hypothesis five (comparing the level of compliance with job descriptions) is shown in [Table 10](#).

According to the calculations, the observed t value of 12.65 is greater than the critical t value of 3.22. Therefore, the null hypothesis (H_0) is rejected and the opposite hypothesis (H_5) is confirmed. Considering the above, trained managers perform better and are more effective in terms of job description compliance than untrained managers from the teachers' perspective.

Table 10:

Comparing the degree of compliance with job descriptions of trained and untrained managers from the perspective of teachers

Groups	AVE	SD	Error	Observed T
Trained	32.92	3.52	0.18	12.65
Untrained	27.52	6.32	0.52	

Source: Author's own findings

4. Conclusion

The results of this study showed that training and skill learning courses increase the productivity of employees in financial companies. The effect of this training on productivity subcomponents including: cooperation and participation, ability to perform different tasks, and increased job knowledge, in proportion to other subcomponents, such as: job motivation, speed of work is higher. In order to interpret the results of the analysis of the research hypotheses, we conclude that there is a relationship between in-service training of managers and their efficiency, in such a way that from the teachers' point of view, managers who have in-service training are more efficient than untrained managers. In particular, trained managers are more successful in the areas of establishing human relations, giving importance to employee training, welcoming changes and innovations, and having self-confidence in work, in observing job descriptions, than untrained managers. In this regard, the responsibility of managers and officials of organizations and institutions has increased and they must be able to take effective and comprehensive measures to improve productivity by recognizing the complex needs of organizations in the present era. Considering the findings of this research, some suggestions can be made as follows:

Serious attention should be paid to human resource training as a fundamental pillar of development.

Attention should be paid to the training of managers as the most appropriate and shortest way to improve the quality of education in schools.

Development of training facilities for managers should be envisaged, both in terms of quantity and quality, especially in the field of educational management.

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