



# **EMPLOYEE TRAINING** *and* **DEVELOPMENT**

## Introduction to Employee Training and Development Chapter 1



6<sup>th</sup> Edition  
Raymond A. Noe

# Learning Objectives

- Discuss the forces influencing the workplace and learning, and explain how training can help companies deal with these forces
- Draw a figure or diagram and explain how training, development, informal learning, and knowledge management contribute to business success
- Discuss various aspects of the training design process

# Learning Objectives

- Describe the amount and types of training occurring in U.S. companies
- Discuss the key roles for training professionals
- Identify appropriate resources (e.g., journals, websites) for learning about training research and practice

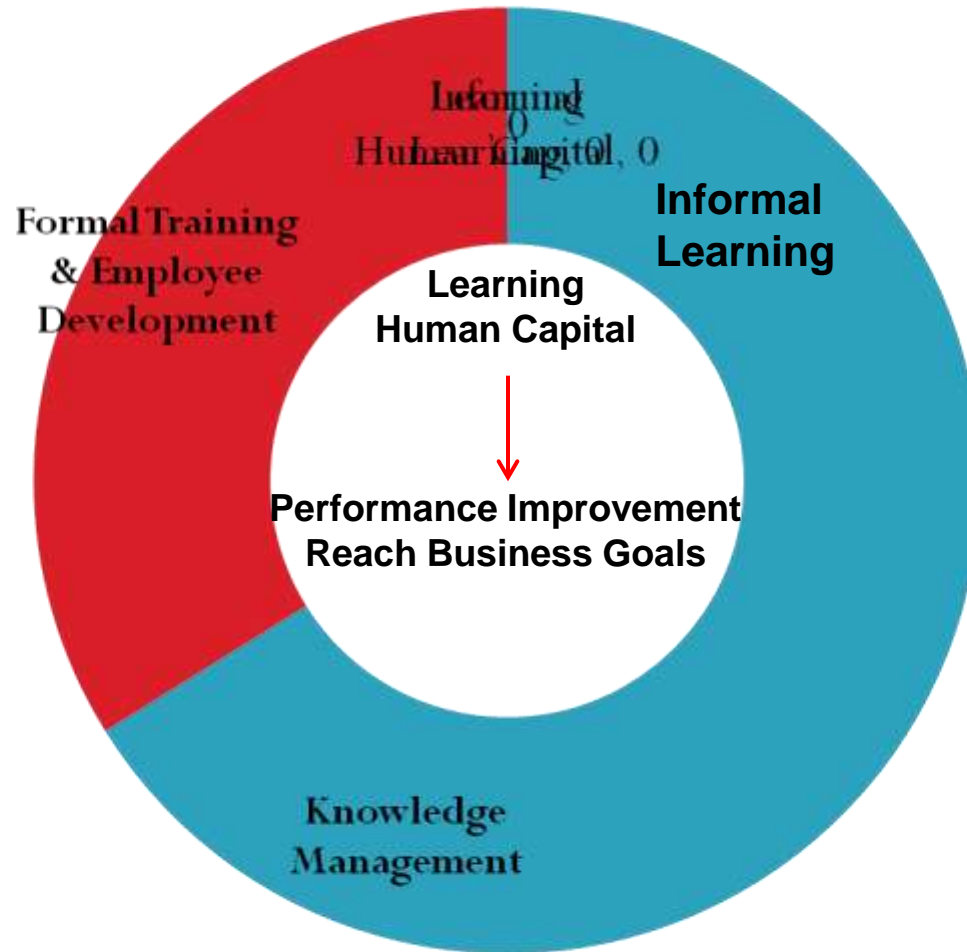
# Introduction

- **Competitiveness:** Ability to maintain and gain market share in an industry
- **Human resource management:** Policies, practices, and systems that influence employees' behaviour, attitudes, and performance
- **Stakeholders:** All parties that have an interest in seeing that the company succeeds

# Training and Development: Key Components of Learning

- **Learning:** Acquiring knowledge, skills, competencies, attitudes, or behaviors
- **Human capital:** Refers to:
  - Knowledge (know what)
  - Advanced skills (know how)
  - System understanding and creativity (know why)
  - Motivation to deliver high-quality products and services (care why)

# Figure 1.1-The Business Role of Training and Development



# Training and Development: Key Components of Learning

- **Training:** Facilitates learning job-related competencies, knowledge, skills or behavior
- Development
  - Future focused
  - Includes:
    - Formal education, job experiences, relationship
    - Assessments of personality, skills, and abilities
- Formal training and development
  - Programs, courses, and events that are developed and organized by the company

# Training and Development: Key Components of Learning

- Informal learning
  - Learner initiated
  - Occurs without a trainer or instructor
  - Motivated by an intent to develop
  - Does not occur in a formal learning setting
  - Breadth, depth, and timing is controlled by the employee
- Explicit knowledge
  - Well documented, easily articulated, and easily transferred from person-to-person



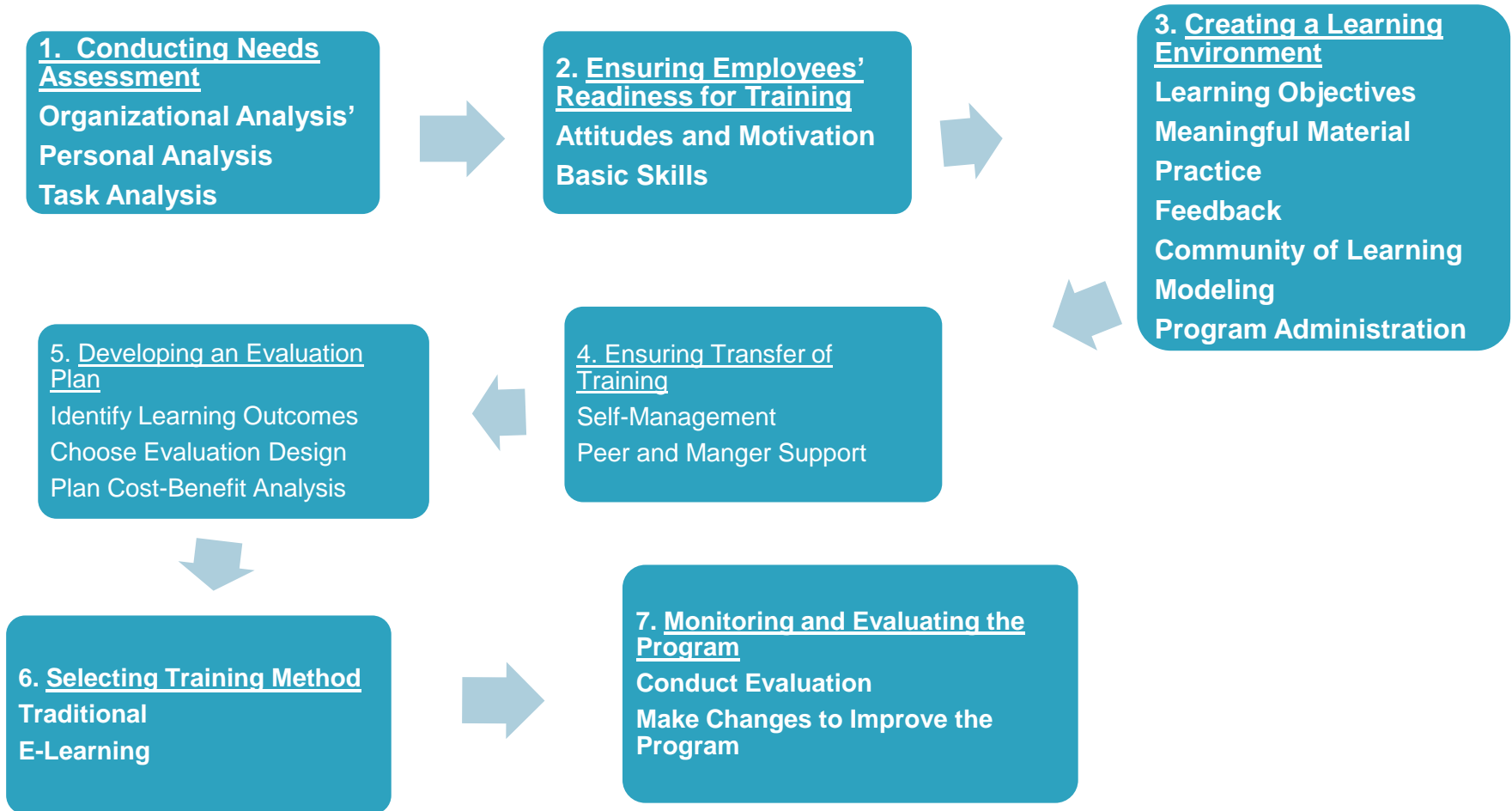
# Training and Development: Key Components of Learning

- Primary focus of formal training and development
- Tacit knowledge
  - Personal knowledge based on individual experiences that is difficult to codify
  - Result of informal learning
- Knowledge management
  - Process of enhancing company performance by designing and implementing:
    - Tools, processes, systems, structures, and cultures to improve the creation, sharing, and use of knowledge

# Designing Effective Training

- Training design process
  - Systematic approach for developing training programs
  - Based on the principles of Instructional System Design (ISD)
  - ADDIE model- Analysis, design, development, implementation, and evaluation
  - Should be systematic yet flexible to adapt to business needs

# Figure 1.2 - Training Design Process



# Designing Effective Training

- Flaws of the ISD model
  - Step by-step approach is rarely followed in real life organizations
  - Necessary requirement of trainers adds time and cost to developing a training program
  - Implies an end point: evaluation
  - May lead to assumption that training is the best solution

# Table 1.1 - Forces Influencing Working and Learning

Economic cycles

Globalization

Increased value placed on intangible assets and human capital

Focus on link to business strategy

Changing demographics and diversity of the workforce

Talent management

Customer service and quality emphasis

New technology

High-performance work systems

# Globalization

- **Offshoring:** Process of moving jobs from the United States to other locations in the world
  - Advantage- Lower labor costs
  - Disadvantage
    - Low standards of health and safety
    - Lack of necessary skills to perform the job

# Assets

## **Human Capital**

- Tacit knowledge
- Education
- Work-related know-how
- Work-related competence

## **Customer Capital**

- Customer relationships
- Brands
- Customer loyalty
- Distribution channels

## **Social Capital**

- Corporate culture
- Management philosophy
- Management practices
- Informal networking systems
- Coaching/mentoring relationships

## **Intellectual Capital**

- Patents
- Copyrights
- Trade secrets
- Intellectual property

# Increased value Placed on Intangible Assets and Human Capital

- **Human capital:** Refers to employees'
  - Attributes
  - Life experiences
  - Knowledge
  - Inventiveness
  - Energy and enthusiasm
- **Intellectual capital:** Codified knowledge that exists in a company
- **Social capital:** Relationships in the company



# Increased Value Placed on Intangible Assets and Human Capital

- **Customer capital:** Value of relationships with persons or other organizations
- Implications of intangible assets and human capital
  - Focus on knowledge worker
    - Employees who contribute to the company not through specialized body of knowledge
  - Employee engagement
    - Degree to which employees are fully involved in their work
    - Strength of employee engagement
    - Attitude or opinion surveys measure level of engagement

# Increased Value Placed on Intangible Assets and Human Capital

- Change and continuous learning
  - **Change:** Adoption of a new idea or behavior by a company
  - Learning organization
    - Culture of lifelong learning
    - Enables all employees to continually acquire and share knowledge
    - Requires financial, time, and content resources

# Changing Demographics and Diversity of the Work Force

- Increase in racial and ethnic diversity
  - Ethnically and racially diverse labor force
  - Increased participation of minorities in the work force
- Aging labor force
  - Increased work-force participation of individuals 55 years or greater
- Generational differences

# Changing Demographics and Diversity of the Work Force

- To manage diversity managers and employees must be trained in:
  - Communicating effectively
  - Coaching, training, and developing
  - Providing performance feedback that is free of stereo types
  - Recognizing and responding to generational differences
  - Allowing employees of all backgrounds to be creative and innovative

# Talent Management

- Systematic, planned, and strategic effort by a company
  - To attract, retain, develop, and motivate highly skilled employees and managers
- Involves
  - acquiring and assessing employees
  - learning and development
  - performance management, and compensation

# Talent Management

- Is important due to:
  - Changes in demand for certain occupations and jobs
  - Skill requirement
  - Anticipated retirement of baby boomer generation
  - Requirement to develop managerial talent

# Customer Service and Quality Emphasis

- Total Quality Management (TQM)
  - Companywide effort to continuously improve the ways people, machines, and systems accomplish work
- Core values of TQM
  - Methods and processes designed to meet the needs of internal and external customers
  - Every employee receives training in quality
  - Errors are prevented from occurring rather than being detected and corrected

# Customer Service and Quality Emphasis

- Promotes cooperation with vendors, suppliers, and customers
- Measures progress with feedback based on data
- Quality standards
  - Malcolm Baldrige National Quality Award
  - ISO 9000
    - Family of standards related to quality
    - Address what the company does to meet regulatory requirements



# Customer Service and Quality Emphasis

- Six Sigma process
  - Measuring, analyzing, improving, and then controlling processes once:
    - They have been brought within the narrow six sigma quality tolerances or standards
  - Training helps by
    - Teaching employees statistical process control
    - Engaging in “lean” processes

# Customer Service and Quality Emphasis

- Lean thinking
  - Doing more with less effort, equipment, space, and time, but satisfying consumer needs and wants
- ISO 10015
  - Ensures that training is linked to company needs and performance

# New Technology

- Influence on training
  - Makes training more realistic
  - Allows flexibility of time and any place
  - Reduces travel costs
  - Provides greater accessibility and consistency
  - Increased ability to access experts and share learning with others
  - Creates a learning environment that provides feedback, self-pacing, and practice exercises
  - Allows greater use of alternative work arrangements

# High performance models of work systems

- Work teams
  - Employees with various skills interact to assemble a product or provide a service
- Cross training
  - Training employees in a wide range of skills to fill any of the roles needed to be performed

# High performance models of work systems

- Virtual teams
  - Separated by time, geographic, cultural, and/or organizational boundaries
  - Rely on technology to interact and complete their projects

# Snapshot of Training Practices

- Key trends in learning initiative investments:
  - Direct expenditures, has remained stable over the last several years
  - Increased demand for specialized learning that
  - Use of technology-based learning delivery increased from 11% in 2001 to 29 % in 2010
  - Self-paced online learning is the most popular technology-based learning

# Snapshot of Training Practices

- Technology-based learning
  - Has improved learning efficiency
  - Has resulted in a larger employee–learning staff member ratio
- Percentage of services distributed by external providers dropped from 29 % in 2004 to 23 % in 2010.

# Table 1.8 - Characteristics of BEST Award Winners

**Alignment** of business strategy with training and development

**Visible support** from senior executives

**Efficiency** in training and development through internal process improvements, use of technology, and outsourcing

**Effective** practices by aligning training and development to business needs and providing all employees with access to training and development on an as-needed basis

**Investment** in training and development

**Different learning opportunities** provided

**Measurement** of effectiveness and efficiency of training and development activities

**Non-training solutions** for performance improvement used, including organization development and process improvement



# Figure 1.5 - The 2011 ASTD Competency Model



# Snapshot of Training Practices

- Who provides training
  - Trainers, managers, in-house consultants, and employee experts
  - **Outsourcing:** Training and development activities provided by individuals outside the company

# Snapshot of Training Practices

- Who is in charge of training
  - Professionals in human resources and human resource development
  - Human resource development
    - Integrated use of training and development, organizational development, and career development :
      - To improve individual, group, and organizational effectiveness