

Training and Development Practices in India

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Abstract

The purpose of the present study is to assess the training practices in select organizations in India. Based on the information collected from 30 organisations, the study identifies various practices with respect to structuring the training department, orientation training, needs assessment, nominations, and training evaluation in India. The study also points out the problems faced by the organisations with respect to needs assessment, nominations, and training evaluation. It concludes that training needs assessment, to some extent, and nominations for training programs to a large extent are taking place in a casual manner. Subsequently organisations could not assess the effectiveness of training programs.

Introduction:

Training and development is one of the major functions of human resource management that can contribute directly to organizational performance and efficiency. There is increasing recognition that employees can and should learn continuously, and that they can learn from on-the-job experiences, from each other, and from short, readily available online tutorial modules as well as from more formally structured learning opportunities (Fisher, Schoenfeldt and Shaw, 2006). Traditionally, training and development was not viewed as an activity that could help companies create value and successfully deal with competitive advantage. Today that view has changed (Noe, 2005). More training staff and departments have been adding value today in organisations, by embracing high-impact approach to training (Burke, 2001). Organisations are committing more resources, in the forms of both time and money, toward training and development of employees aiming at improving their competencies. They have established training departments with increased training budgets year after year. Subsequently training and development has evolved and matured to a substantial degree in India (Rao, 2001).

The Present Study

This study has made an attempt to assess the training and development practices in terms of structure of training department, new employee orientation training, training needs assessment, nominations, training evaluation and problems associated with these aspects of training in select organisations in India. The information has been collected from 30 organisations, in which 50% are in private sector; 43. 33% are multinational companies

located in India and 6.67% are joint ventures. 53.33% of the organisations belong to manufacturing sector that includes automobile, bottling, chemical, electronics and telecommunication, engineering, semiconductors and sporting goods, and textile companies. 30% of the organisations covered in this study are IT/ITES. The remaining 16.67% are in service sector covering banking industry, consultancy, media, and telecommunications. The organisations employ people varying from 55 to 15,000. The average number of employees in these organisations is calculated as 1722.

Results and Findings:

Training Department

The study found that the organisations have training setup in their respective organizational hierarchy. As shown in table 1, training wing is an integral part of human resource department in 73.33% of the organizations. 20% of the organisations have independent training department that is not a part of human resource department. The organisations (6.67%) that are small in terms of number employees (less than 100) have established their training structure as a wing of operations department. It is significant to note that these organisations belong to IT sector of employment.

Table 1: Training Structure in Organisational Setup

Sl No.	Training Structure	No. of Organization	Percentage
1	An integral part of human resource department	22	73.33
2	A separate department	6	20.00
3	An integral part of operations department	2	06.67

We need not overemphasize the importance of the training staff for the success of the training programs. The total number of training staff is 193 in all the organisations put together, in which 67 are at managerial level; 86 members work in supervisory cadre and the remaining 40 are assistants. One multinational company engaged in IT with 300 employees, and another Indian textile company in private sector employed about 5000 people, did not appoint a person at managerial level to deal with training function. However the textile company deployed seven staff members in supervisory and assistant levels in training department. Interestingly, two IT companies with below 150 employees have employed people at managerial level in training department, but not at lower levels. It is significant to note that overall, there is one training staff member for every 250 employees. When it comes to the ratio of number of employees in the organisations and the training managers, it is 720 : 1.

Training Budget

Training budget is one of the most important indicators of top management's commitment in training. There was an attempt to collect data from the organisations on their training budget of the previous year (2006-07). But out of 30 organisations, 20 organisations have responded to this question. The amount allocated for training has

ranged from one lakh Indian rupees to 400 lakhs Indian rupees. The average training budget was 78.5 lakh Indian rupees.

Training Days

Organisations have their training policy in which they prescribe training days for different cadres of employees per year. There was an attempt to collect information from the organisations on the training days as per their policy. But only 26 organisations have responded to this question. Based on the data, it has been observed that a bottling company has the lowest number of training days i.e. two. One of the multinational companies engaged in consultancy work has a training policy with 32 training days per year per employee. The average of training days for the organisations under study is calculated as nine.

Training and Business Strategy Linkage

Strategic training and development initiatives are learning related actions that a company should take to help it achieve its business strategy (Tannenbaum, 2002). These initiatives develop employee competencies and produce ongoing differentiation, advantage, and achievement (Wilson III, 2001). Gaining competitive advantage through training and development efforts is not possible without a strategic direction to it. With respect to this aspect, an overwhelming majority (93.33%) of organisations under study have asserted that they link training with their business strategy. In many of the organisations, the training needs of the employees are identified based on the strategic requirements of the business.

Orientation Training

To get the new employee off to a good start, organizations generally offer a formal orientation program (Bohlander and Snell, 2004). Interestingly, all organisations offer new employee orientation training with a minimum half day to 30 days. A small multinational organisation engaged in IT provides orientation for half day, whereas two large IT multinationals offer orientation training for a month. It is calculated that the average orientation training in the organisations is nine and half days. With regard to responsibility of providing orientation training, it is found that in case of a majority of the organisations (56.66%), it is a collective responsibility of human resource department, training department and line managers. A few organizations in IT sector involve systems managers and finance managers also to provide inputs for new employees during orientation programs. Orientation training is the sole responsibility of human resource departments in 16.67% of the organisations. Training is an integral part of human resource department in all these organizations. However, it is the exclusive responsibility of the training department in another 16.67% of the organizations. These companies have a huge set up for new employee orientation. Orientation training is offered by line departments in the remaining 10% of the organizations. These are small companies without a separate training or human resource department in their respective organisations.

Table 2: Responsibility of Orientation Training

Sl No.	Responsibility of Orientation Training	No. of Organisation	Percentage
1	Collective responsibility of human resource, training and line departments	17	56.66
2	Sole responsibility of HR department	5	16.67
3	Sole responsibility of training department	5	16.67
4	Sole responsibility of line department concerned	3	10.00

Training Needs Assessment

A need is a gap or deficiency existing between the current state and desired state. The needs assessment is the identification of the need and a determination of its importance and cost to satisfy. Need analysis uncovers the cause of the gap that has been identified (Kaufman, 1994). The needs assessment and analysis process is the first step in the training and development process. Training departments in respective organisations undertake needs assessment periodically using different methods. An attempt has been made in this study to find out different ways and means of assessing training needs of employees in the organisations.

As presented in table 3, the organisations all together use 15 methods to identify trainings of employees. It is found that organisations use more than one method to identify training needs. However, a great majority (83.33%) of the organisations understudy use the inputs from performance appraisal to assess the training needs. This is followed by business goals and needs (80.00%). They decide training needs keeping in view the new products, processes to be launched, technology to be introduced and new projects to be undertaken. Self assessment of employees and personal interest of them are also considered in the needs assessment process in 46.67% of the organisations. 30% of the organisations conduct needs assessment surveys with the help of questionnaires to find out the training needs of the employees. Competency matrix is another source to assess training needs in case of 10% of the organizations.

In addition to the above methods, two IT companies have stated that they also take into consideration, client and project requirements in identifying training needs. Customer satisfaction index is another source of information to identify training needs for one automobile company and one ITES unit. Employee role and gap analysis, personal interviews and observation of employee performance are some of the ways to assess training needs adopted by a few companies. One of the electronics and telecommunications company considers peer feedback also in needs assessment. In addition to performance reports, one bottling company considers work sample test scores of the workers in needs assessment. Floor work, dashboards and error charts are the

major source of information in needs assessment to an ITES company. One marketing research firm considers 360 degree feedback in the needs assessment process. One IT company considers the knowledge, skills and abilities required for a team while assessing training needs of the employees in the respective teams.

Table 3: Methods of Training Needs Assessment

SL. No	Methods	No of organisations	Percentage
1	Performance appraisal	25	83.33
2	Business goals/needs	24	80.00
3	Self assessment and personal requests	14	46.77
4	Questionnaire surveys	9	30.00
5	Competency Matrix	3	10.00
6	Client/customer satisfaction index	2	06.67
7	Client/project requirements	2	06.67
8	Employee role and gap analysis	2	06.67
9	Personal interviews	2	06.67
10	Observation of performance by superiors	2	06.67
11	Peer feedback	1	03.33
12	Work sample	1	03.33
13	Floor work, dashboards and error charts	1	03.33
14	360 degree feedback	1	03.33
15	Knowledge, and skills required by the team	1	03.33

The respondent organisations were asked to identify the problems they face in needs assessment. After doing content analysis of the responses given by the organisations, the study has identified certain problems that are faced by the organisations while assessing training needs. They may be classified as follows:

1. Subjective factors
 - a. Personal bias and individual preferences unmindful of the job duties performed
 - b. Problems associated with quality of information given by the employees and their supervisors on the training needs
 - c. Divergent views on training needs expressed by the employees and their supervisors
 - d. Most of the times training needs revolve around enhancing technical competency ignoring human skills
 - e. Inability of the supervisors to assess training needs of their employees
2. Administrative factors
 - a. Inadequacy of performance appraisal as a tool of assessing training needs
 - b. Delayed reporting of the training needs by the supervisors
 - c. There is no mechanism available to check accuracy and completeness of training needs that are identified by the employees and their supervisors
 - d. Lack of updated job analysis information to identify accurate training needs

- e. Sometimes supervisors do not answer the questions relating to training needs that are supposed to be answered in the performance appraisal form
- f. All employees do not fill needs assessment questionnaires
- g. All employees are not interviewed to assess their training needs
- h. As the information for needs assessment is collected from different sources using different methods, integration of the data and assessing the accurate training needs becomes difficult

3. Organisational factors

- a. Training needs are assessed based on the present requirements, but changes take place in business needs later that are not captured at the time of needs assessment.
- b. There are no proper systems in place to assess training needs
- c. Subsequent to sudden changes in priorities of human resource activities training needs assessment receives setback

Nominations to Training Programmes:

The respondent organisations are asked to mention the criterion adopted to nominate employees for training programs. Many of the organisations have given more than one response to this question. As shown in table 4, 40% of the organisations consider the personal request of the employees for nominating employee for a program. Training needs are the basis for nominating employees in case of 36.66% of the organisations. 20% of the organisations have mentioned that they nominate employees based on the training programmes attended/not attended by the employees. They try to nominate employees who did not attend the training programmes in the recent past. The other criteria for nominations includes relevance to the job (20%), suitable to qualifications (16.66%), whom the supervisor can spare at that particular point of time (16.66%), particularly in case of internal programs, and by way of favor done by the supervisor (13.33%) in case of external training programmes. Thus information collected on this aspect does not indicate any particular pattern or procedure for nomination. The criteria for nominations range from personal request to nominating employees whom the supervisors can spare.

Table 4: Criteria for Nomination

Sl No.	Criteria	No. of Organisation	Percentage
1	Personal request of employee	12	40.00
2	Training needs	11	36.66
3	Training programmes attended/not attended	6	20.00
4	Relevant to job	6	20.00
5	Suitable to qualifications	5	16.66
6	To whom the manager can spare	5	16.66
7	By way of favor by superior	4	13.33

Information was collected from the organisations on who is involved for nominating employees for training programmes. As shown in Table 5, employee and his/her supervisor are involved in 30% of the organisations in the process of nominations. 23.33% of the organisations have mentioned that employee, supervisor and manager (Process/department head) are involved in the nomination process. Another 23.33% of the organisations have asserted that supervisor and head, in consultation with human resource/training department nominate people for training programmes. In case of 13.33% of the organisations, supervisor nominates people for programmes in consultation with human resource/training department. Supervisor and head nominate employees for training programmes in consultation with HR/training department in the remaining 10% of the organisations.

Table 5: Who are Involved in Nomination

Sl No.	Who are involved in Nomination	No. of Organization	Percentage
1	Employee & Supervisor	9	30.00
2	Employee, supervisor and head	7	23.33
3	Supervisor and head	7	23.33
4	Supervisor in consultation with HR/training department	4	13.33
5	Supervisor & head in consultation with HR/training department	3	10.10

The respondent organisations are asked to state problems that are associated with nominating employees for various training programmes. The responses are as follows:

1. Operational priorities/sales targets/project execution restrict the freedom of supervisors to nominate right persons
2. Self nominations are not in line with business needs
3. Supervisors have limited control
4. Expensive external training programs and budget constraints.
5. Employees prefer not to attend training because work gets piled up by the time they get back on the job after training
6. In some case, employees are supposed to attend the training program and simultaneously work
7. Too many nominations for some programs and too little nominations for some other programs
8. Last minute nominations and last minute cancellations
9. Lack of automation with respect to registration of the employees for training
10. No cancellation till the last minute, but employees do not show up
11. Location constraints prevent supervisors to nominate right persons

Training Evaluation:

Training evaluation is systematic collection of descriptive and judgmental information necessary to make effective training decisions related to the selection, adoption, values and modification of various training activities (Goldstein and Ford, 2001). Kirkpatrick

(1959, 1960) has proposed four levels of evaluation such as reaction, learning, behavior and results. Phillips (1997) has added the fifth level to the evaluation namely return on investment. An attempt is made in this study to find out the training evaluation practices. It has been observed that (table 6) all the organisations understudy collect feedback from the participants of the programmes to do reaction level evaluation. 20% of the organisations collect actions plans of participants of the programmes that contain the ideas they have planned to implement when they go back to work. With regard to learning level evaluation, 46.67% of the organisations collect information using various methods such as written tests, presentations, demonstration of what the participants have learned during training, role plays, action plan reviews, feedback from the trainer, and administration of before and after training questionnaire. As far as changes in the behavior (job application) is concerned, 30% of the organisations make an attempt to assess the job applications the participants have made, using inputs they have learned during training, by adopting the methods such as action plan implementation, performance appraisal, observations, action research projects, follow-up interviews, supervisors' feedback, employee engagement survey, and client satisfaction index. With respect to business results level evaluation, one organisation only, out of 30 organizations, which is into telecommunication business, collects information for this purpose using client satisfaction scores. The same organisation makes an attempt to calculate return on investment on some of the training programs.

Table 6: Training Evaluations

Levels of Evaluation	No.of Organisations	Percentage
Level 1: Measuring reactions		
Yes	30	100
No	0	0
Level 1: Action plans		
Yes	6	20.00
No	24	80.00
Level 2: Measuring learning		
Yes	14	46.77
No	16	53.77
Level 3: Measuring Job application		
Yes	9	30.00
No	21	70.00
Level 4: Measuring business results		
Yes	1	3.33
No	29	96.67
Level 5: Measuring ROI		
Yes	1	3.33
No	29	96.67

The study has identified some of the problems the organizations face with regard to assessing effectiveness of the training programmes. They are as follows:

1. Lack of seriousness in filling the feedback forms on the part of the participants

2. People are good in writing tests and getting good scores, but fail in implementation.
3. People prepare action plans at the end of the training, but they do not make attempt to implement on the job.
4. Limited opportunities are available on the job to make use of training inputs.
5. The objectives of the training programs are not achieved in some programs
6. Big difference in the training content taught during training, and the job duties and responsibilities
7. Training evaluation takes a backseat over business. Line managers leave the entire evaluation to human resource/ training departments.
8. Changes in the business goals and the training given becomes irrelevant
9. People are available during training, but some of them quit by the time of collecting data for evaluation at level three
10. The trainers get transferred or leave the organization. Subsequently follow up becomes difficult
11. Time consuming and expensive data collection process

Conclusions

In the above perspective, an attempt is made here to draw some conclusions from the analysis. However, it should be admitted that the sample size of the present study is limited to 30 organizations. The conclusions drawn based on the limited sample can not be generalized about India. In spite of this limitation, the study has identified certain training practices in India covering different sectors of organisations in different locations in India.

This study indicates that training function is predominately structured as an integral part of human resource department though some organizations have separate training departments with one training staff member for every 250 employees. The average training days are nine per employee in a year. The organisations offer orientation training to new employees with an average number of nine and half days. The organisations make attempts to link business strategy and training. Although each organisation follows more than one method to assess the training needs of employees, the popular methods of needs assessment are performance appraisal and business goals of the organizations. However systematic needs assessment is constrained by subjective, administrative and organisational factors. The analysis with respect to training nominations, leads to the conclusion that there is no particular pattern or procedure for nomination. The criteria for nominations range from personal request to nominating employees whom the supervisors can spare. Though some organisations make attempts to evaluate training at learning and job application levels, it may be concluded that the training evaluation in the organisations is, by and large, confined to reaction level evaluation only. Application of inputs on the job is not possible if the training programme is not need based and the nominations are not proper. They are taking place in a casual manner for various reasons without any seriousness of purpose. Subsequently organisations could not go beyond learning level evaluation of training programs. The organisations should make attempts to rectify the snags and pitfalls that have crept into

needs assessment and nominations, so that training can become a powerful intervention to improve employee performance and subsequently impact organizational performance.

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