



## **NPTEL ONLINE CERTIFICATION COURSES**

# **TRAINING AND DEVELOPMENT**

**DR. SUSMITA MUKHOPADHYAY**

**ASSOCIATE PROFESSOR, VGSOM, IIT KHARAGPUR**

**Module : 2**

**Lecture 01 : Strategic Training**

# TRAINING AND DEVELOPMENT

This part of lecture session will be held on the concept, types, importance of strategy, business strategies and training.



## Introduction

Learning has been recognized as a part of all employees responsibilities, both managers, peers, along with training professionals who are actively involved in helping other employees gain new skills and perspectives.

Companies are operating businesses to make money and every business function is under pressure to show how it contributes to business success. To achieve success at desired level, training activities help companies move ahead according to its strategies. The strategies influence how the company uses its physical capital, financial capital and human capital to reach specific goals.



# Strategy

**It is essential for every organisations to have a strategy which defines how the organization will go about to achieve its mission.**

**The strategy is defined as attempt to optimize the matching between organization's mission, what is occurring or is projected to occur in the external environment and the organization's internal operations.**

**Strategy is an action that managers take to attain one or more of the organization's goals.**



# Strategy

**Strategy includes the following:**

- ❖ **Setting short and long-term business objectives for the organization.**
- ❖ **Setting courses of action necessary to achieve those objectives, and**
- ❖ **Allocating the resources needed to carry out those actions**



## Features of Strategy

**Strategy has following features:**

- ❖ **Strategy is Significant** because without a perfect foresight, the firms must be ready to deal with the uncertain events which constitute the business environment.
- ❖ **Strategy deals with long term developments** rather than routine operations,
- ❖ **Strategy is created to take into account the probable behavior of customers and competitors.**
- ❖ **Strategies dealing with employees will predict the employee behavior.**



# Major Types of Strategy

There are three major types of strategy which are as follows:

- ❖ Business strategy
- ❖ Operational strategy
- ❖ Transformational strategy

Thrust is given in this lecture to discuss on business strategy so that the discussion is made on it herein and onwards.



## Business Strategy

Business strategy is a plan that integrates the goals, policies and actions of the company. The business strategy helps direct the activities of the company including production, finance, marketing and human resources to achieve specific goals.

There are direct link between training and business strategy as the training helps the employees to develop the required skills to perform their duties affecting the business directly.



## Influence of Business Strategy

Business strategy has a major impact on the type and amount of training which occur and whether resources like money, trainers' time, programme development should be devoted to training. Strategy has strong influence on determining the following:

- The amount of training devoted to current or future job skills
- The extent to which training is customized for the particular needs of an employee or is developed based on the needs of a team, unit or division.



## Influence of Business Strategy (continued)

- Whether training is restricted to specific groups of employees or open to all employees.
- Whether training is planned and systematically administered, provided only when problems occurred or developed spontaneously as a reaction to what competitors are doing.
- The importance placed on training compared to other human resource management practices such as selection and compensation.



# Formulation of Business Strategy

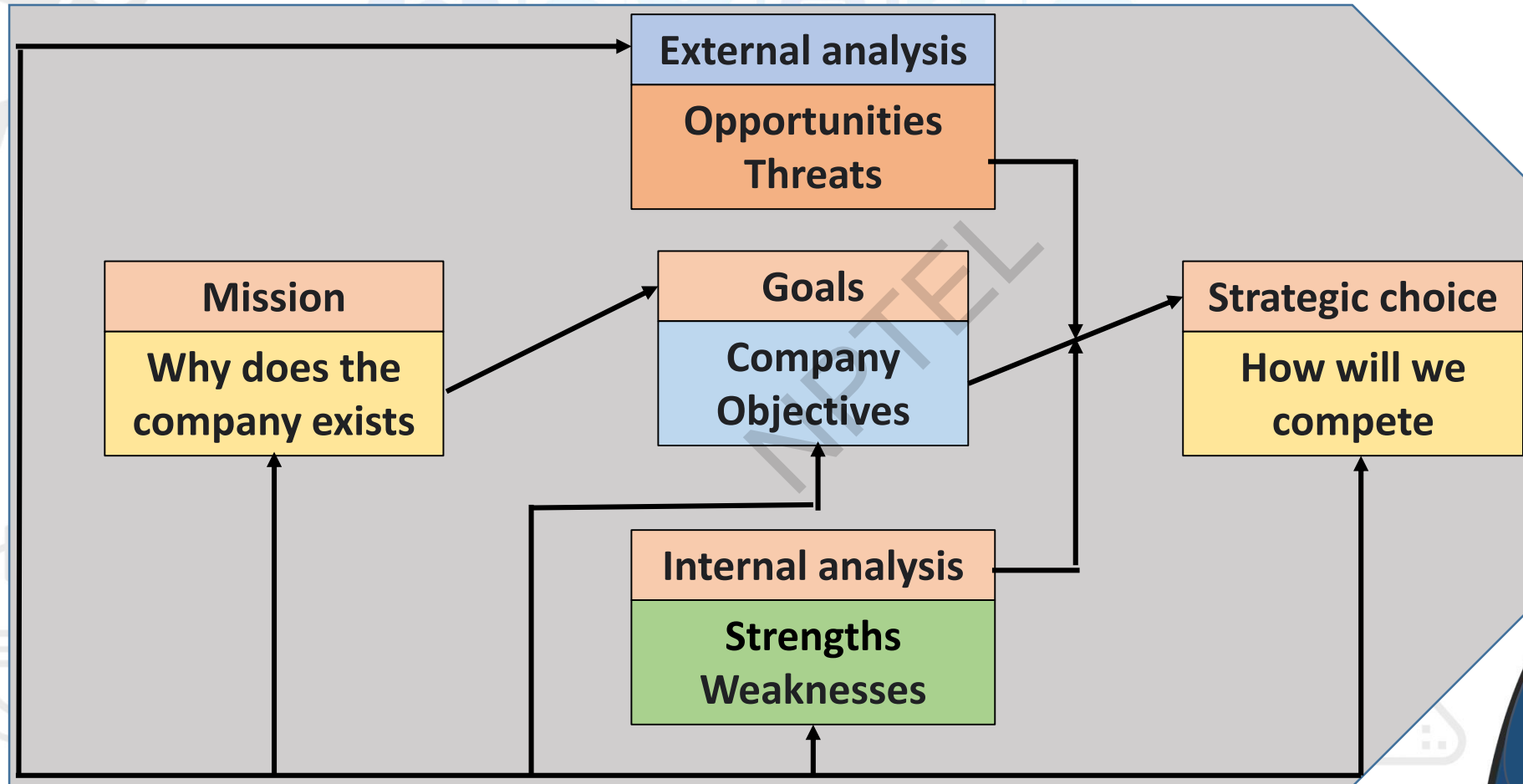
There are five major parts of formulation of business strategy, such as-

- Company mission
- Company goals
- External analysis
- Internal analysis
- Strategic choice

The description of all about these has been made in the following sections.



# Formulation of Business Strategy at a Glance



## Description of Diagram on Formulation of Business Strategy

### ➤ Company Mission

It is statement of reason why company is existing. It may vary but typically include information on what the company does, the customers served, the value received by the customers and the technology used. On the other, the vision is the picture of what the company wants to achieve in future.

### ➤ Company Goals

Company's goals are what the company wants to achieve in the medium to long term operation. It reflects how the mission will be carried out. Training can contribute to a number of different goals.



## Description of Diagram on Formulation of Business Strategy

### ➤ Internal and external analysis

These are combined to form all together what is called the SWOT analysis. This analysis consists of internal analysis of strength and weaknesses. The external analysis is made of opportunities and threats to the company that currently exist or are anticipated.

### ➤ Strategic choices

After SWOT analysis is completed the company has all the information it requires to consider how to compete, generate several alternative business strategies and to make a strategic choice.



## Steps of Implementation of the Strategy

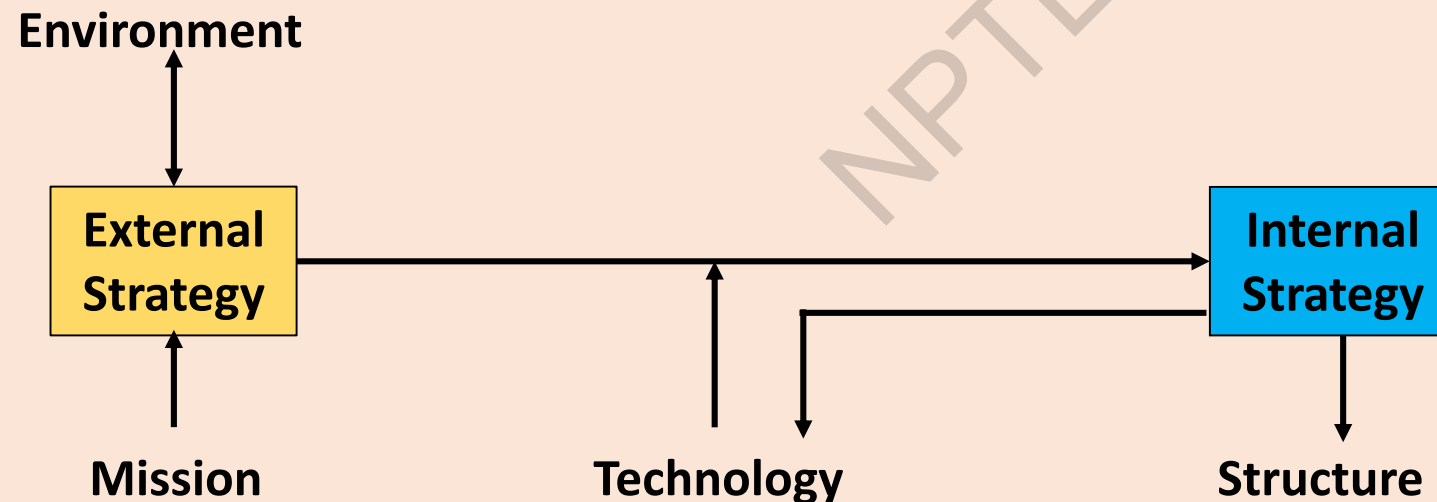
The steps of strategy implementation are :-

- ❖ Developing an organization having potential of carrying out strategy successfully.
- ❖ Disbursement of abundant resources to strategy-essential activities.
- ❖ Creating strategy-encouraging policies
- ❖ Employing best policies and programs for constant improvement.
- ❖ Linking reward structure to accomplishment of results.
- ❖ Making use of strategic leadership



## Strategic Contingencies (Mission, strategy, technology structure relationship)

The success of a competitive strategy is contingent on the demands of the external environment and factors internal to the organization. Following figure indicates in details at a glance:



## Strategic Contingencies (Mission, strategy, technology structure relationship)

The diagram in the prepage represents the relationship among environment, strategy, structure and technology.

- Strategy is the process of making internal adjustments to accommodate the demands of external environment.
- The arrow between strategy and environment shows the influence in both directions. It reflects the fact that the choice of competitive strategy may change the environment where the firm operates.
- The external strategy requires an internal strategy to be developed and implemented. Key factors in the internal strategy are the organization's structure and core technology.

## Value of Training and Development to Business

A company or a business house recognizes the value of training and development and find them as part of better learning. The capabilities required are as follows:

- ❖ Alignment of learning goals to business goals,
- ❖ Measurement of the overall business impact of the learning function,
- ❖ Movement of learning outside company to include customers, vendors and suppliers,



# Value of Training and Development to Business

(Continued....)

- ❖ A focus on developing competencies for the most critical jobs,
- ❖ Integration of learning with other human resource functions,
- ❖ Delivery approaches that include class room as well as e-learning,
- ❖ Design and delivery of leadership development course,



## Possible Business Goals Influenced by Training

Training has influenced on the following possible business goals:

- Productivity.
- Reduced scrap and network.
- Increased customer satisfaction.
- Reduced operational risks and accidents due to carelessness of employees.
- Increased employee satisfaction and retention.



## Possible Business Goals Influenced by Training

(Continued....)

- Increased time and value-producing goods.
- Better management decisions
- Increased development of human capital
- Succession planning needed for competitive advantage and growth.



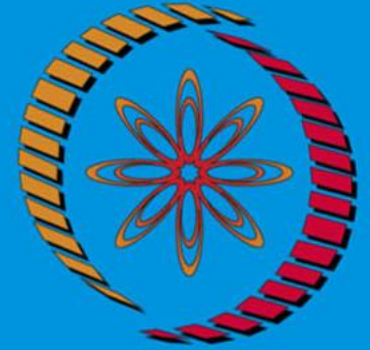
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# CONCLUSION

**This part of lecture session has given clear picture on the concept of strategy, business strategy and various other aspects of business strategy and training which may be very much beneficial to all learners.**



**THANK  
YOU !**



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### **TRAINING AND DEVELOPMENT**

**DR. SUSMITA MUKHOPADHYAY**

**ASSOCIATE PROFESSOR, VGSOM, IIT KHARAGPUR**

**Module : 2**

**Lecture 02 : Strategic Training and Its Process**

# TRAINING AND DEVELOPMENT

This part of lecture session will be held  
on the concept of strategic training  
and its process



## Defining the Strategic Training

**Strategic training** is a form of training that provides employees with the necessary tools and information required to complete their tasks successfully in accordance to a business's strategic planning, values and goals.

It means that it can carefully scrutinize and align training processes with objectives & goals and regards training as part of a system designed to create human capital.

The strategy can address whether the training session is planned and systematically administrated, provided only when problems occur or spontaneously.



## Strategic Training

It is generally said that if any organization's strategy requires new organizational capability, that is when training becomes strategic. There are some pre-conditions to begin a strategic training. They are-

- People who can't perform the required tasks of the organisation at the moment should not be hired.
- People with abilities may be hired and trained to perform even better for the company.
- Revision of the business plan with the employees or management is important to make sure that it is the best thing for the required task.



## Why Strategic Training

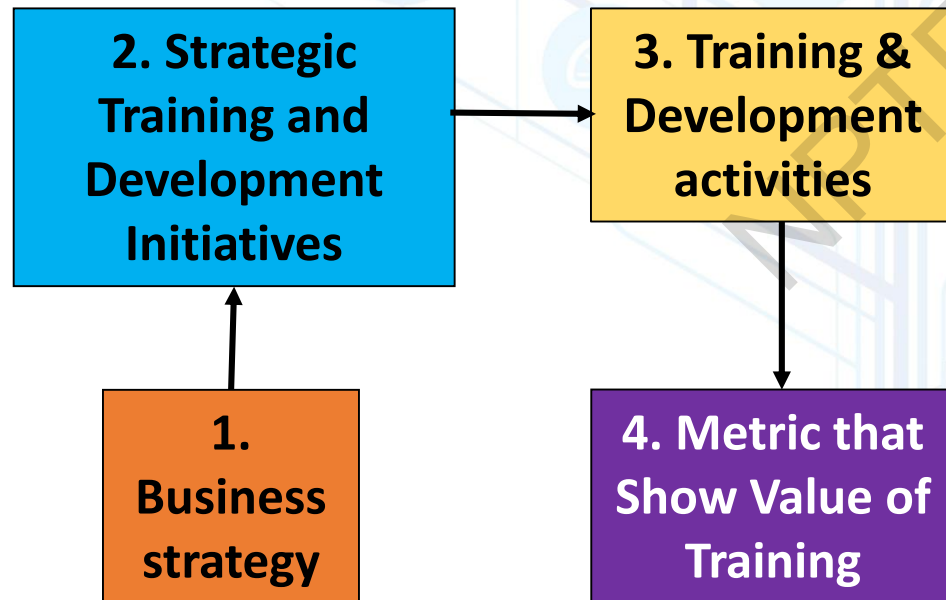
Strategy impacts training with a strong influence on determining:

- Whether training is planned and systematically administered, provided only when problems occur, or developed spontaneously as a reaction to what competitors are doing.
- The importance placed on training compared to other HRM practices such as selection and compensation.



# Strategic Training and Development Process

The strategic training and development process can be seen from the following diagram:



# Strategic Training and Development Process

## 1. Business Strategy

This has been discussed at the introduction of this week lecture. However, the process begins with identifying the business strategy that is meant to reach the business plan consisting of mission, vision and goals of the company



# Strategic Training and Development Process

## 2. Strategic Training and Development Initiatives

Strategic Training and development Initiatives are learning-related actions that contribute to the diversity of a learning portfolio, the improvement of customer satisfaction, acceleration of the pace of employee learning and the rate of capturing and sharing knowledge.



# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of diversity of a learning portfolio are -

- Using technology such as internet for training.
- Facilitate informal learning.
- Provide more personalized learning opportunities

# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of expand who is trained are -

- Training to suppliers, customers and employees.
- Offering more learning opportunities to non-managerial employees.



# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of accelerating the pace of employee learning are -

- Quickly identifying the needs and provide a high quality learning solution.
- Reducing the time to develop training programmes.
- Facilitating access to learning resources on and as needed basis.



# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of improving customer service are -

- Ensuring that employees have product and service knowledge.
- Ensuring that employees have skills to interact with customers.
- Ensuring that employees have understanding of their roles and decision making authority.

# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of providing development opportunities and communication with employees are -

- Ensuring that the employees have opportunities to develop.
- Ensuring that employees understand career opportunities and personal growth opportunities.
- Ensuring that training and development addresses employees needs in current job as well as growth opportunities.

# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of capturing and sharing knowledge are -

- Capturing insight and information from knowledgeable employees.
- Organizing and storing information logically.
- Providing methods to make information available (i.e. resource guide).



# Strategic Training and Development Process

## 2.1. Strategic Training and Development Initiatives and their Implications

The implications of aligning training and development with the company's direction are -

- Identifying needed knowledge, skills, abilities or competencies.
- Ensuring that current training and development programmes support the company's strategic needs.

## Strategic Training and Development Process

### 3. Training and Development activities

Training and development activities use web-based training, making development planning mandatory, developing websites for knowledge sharing and increasing the amount of customer service training.



## Strategic Training and Development Process

### 3.1. Provide Training and Development Activities Linked to Strategic Training and Development Initiatives:

These activities include developing initiatives related to use of the followings:

- i) New technology in training
- ii) Increasing access to training programs for certain groups of employees
- iii) Reducing development time
- iv) Developing new or expanded course offerings



# Strategic Training and Development Process

## 3.1. Provide Training and Development Activities Linked to Strategic Training and Development Initiatives:

Analysis to Align Training with Business Strategy includes:

- i) Customers
- ii) Products and services
- iii) Research and development
- iv) Business system
- v) Continuous learning
- vi) Results



## Strategic Training and Development Process

### 4. Metrics that show value of training

It involves learning, performance improvement, reduced customer complaints, reduced turnover and greater employee satisfaction. This particular training model takes into account metrics and the balance scorecard (tools for measuring the impact of the training session on the business strategy plan).



# Strategic Training and Development Process

## 4.1. Identify and collect Metrics to Show Training Success

It involves the following

- i) Trainees' satisfaction with the programmes, assessing improvement of skills, knowledge and abilities.
- ii) The business related outcomes could evaluate customer service, employee satisfaction, product defects, employee turnover.

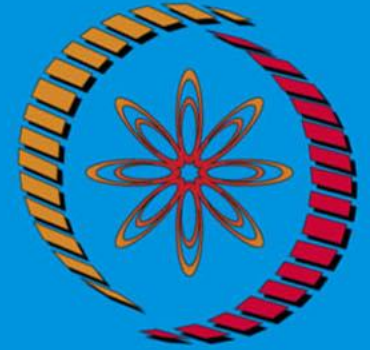


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# CONCLUSION

**This part of lecture session has given clear picture on the concept of strategic training and the process of strategic training and development. The learners will learn all about these from this lecture and apply in their field of professional practices.**



**THANK  
YOU !**



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# **TRAINING AND DEVELOPMENT**

**DR. SUSMITA MUKHOPADHYAY**

**ASSOCIATE PROFESSOR, VGSOM, IIT KHARAGPUR**

**Module 2:**

**Lecture 03 : Strategic Training Model**

# TRAINING AND DEVELOPMENT

This part of lecture session will be held on different Models of Strategic Training.



## Introduction to Strategic Training Models

Most of the companies desire their learning or training function in order to provide some courses and programmes to all employees irrespective of their functional areas, locations, business units or divisions.

At the same time , there are companies that want their learning function to provide learning that meets training needs which are unique to the business unit or product line.



## Strategic Training Models

There are top five models of organizing the strategic training. They are –

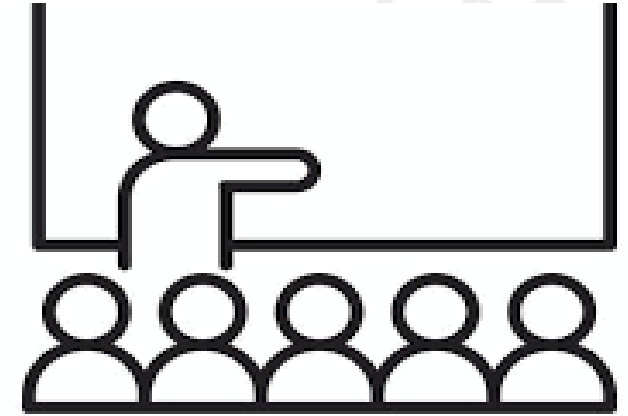
- Faculty Model
- Customer Model
- Matrix Model
- Corporate University Model
- Business Embedded Model



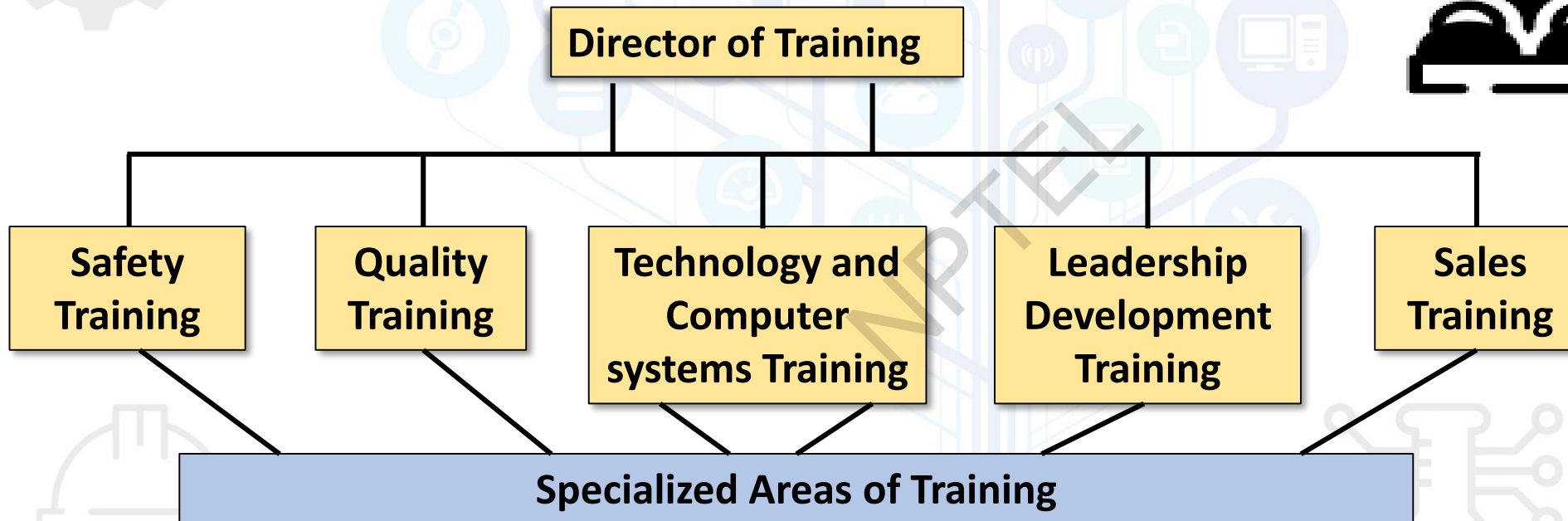
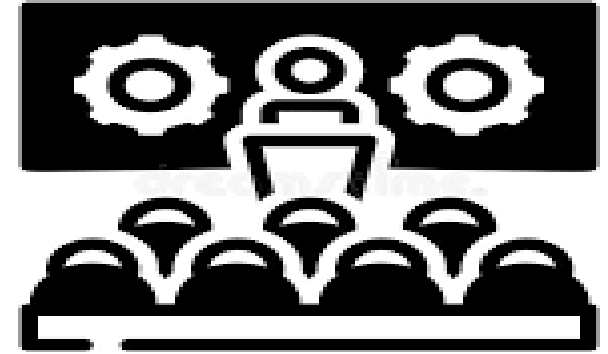
## Faculty Model

This model employs a structure like a college. The training department under this model is headed by a Director under whom there are staff of experts with highly specialized knowledge of particular topics or skilled areas. This model has strength like available expertise and programmes of training are planned around areas of expertise.

On the other hand, the weaknesses of this model include it is not supposed to meet the needs of company, trainees may not be motivated if the training content does not match business needs.



## Faculty Model at a Glance



## Customer Model

This model involves having a training function for each division or function of the organization. Strengths of this model are –

This model organizes training by business needs

Trainers are tuned with business needs and plan training programme accordingly

Major limitations are-

There may be redundancy in the training provided across functions,

The programmes may vary in effectiveness across functional areas due to limitation of director to follow it up



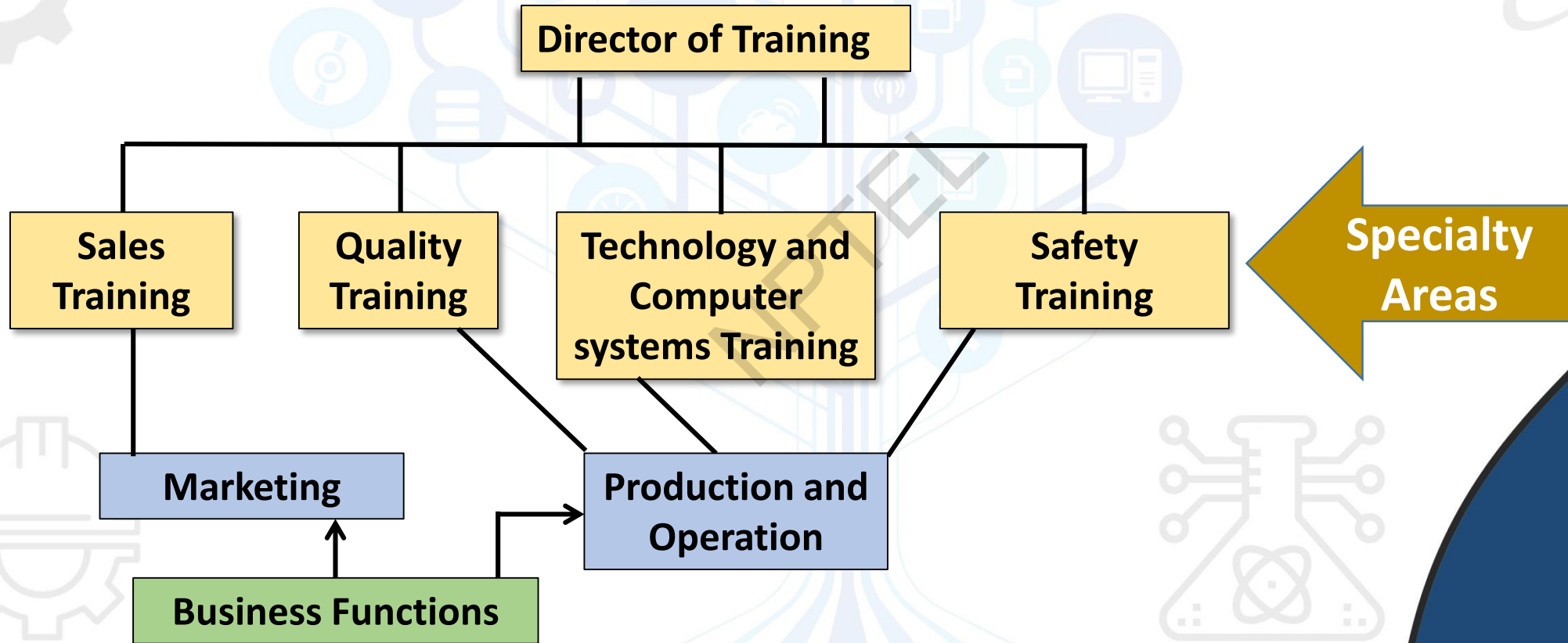
## Matrix Model

With the Matrix Model, trainers report to a training manager and a specialized manager who has a particular area of expertise. This ensures consistency between the training needs of a specific function within the organization. Certain advantages of this model are as follows:

- It improves the coordination of trainers.
- It expands the expertise of training for distinct functions in the firm.
- It motivates participation between parties in different functions.



## Matrix Model at a Glance



## Matrix Model

Major constraints of this model are as follows:

- A perception that training is “forced” may lead to more time spent discussing than implementing training.
- It may cause more time constraints for trainers because of having to report progress to training managers and functional managers.

## Corporate University Model

This model includes employees, managers and stakeholders outside the company including universities, community colleges, high schools and grade schools. An organization using this model can focus training programs on topics that reinforce the company's culture, values, best practices, policies, and processes.

- It helps maintain corporate competitiveness as markets change.
- Reinforces company culture by consistently disseminating the company's ethos and brand.
- The company has more control over teaching methods to better match different learning styles.



# Corporate University Model

## Historical Training Problems :

- Excessive costs
- Poor delivery focus
- Inconsistent use of common training practices
- Best Training Practices not shared
- Training not integrated
- Lack of common standard and training delivery technology

| Leadership Development Programme |            |                     |                 |
|----------------------------------|------------|---------------------|-----------------|
| Product development              | Operations | Sales and Marketing | Human Resources |
|                                  |            |                     |                 |
|                                  |            |                     |                 |
|                                  |            |                     |                 |
| New Employee Programme           |            |                     |                 |

## Training Advantages :

- Dissemination of best practices
- Align training with business needs
- Integrate training initiatives
- Adopt a common standard
- Clear vision & mission
- Effectively use of technology
- Partnership with academia

## Creating a Corporate University

Creating a corporate (training) university involves some steps as noted below:

- **1<sup>st</sup> step:** Senior managers and business form a governing body with a responsibility to develop a vision for the university.
- **2<sup>nd</sup> step:** The vision is fleshed out, the vision statement is linked to business strategy.
- **3<sup>rd</sup> step:** The company decides how to fund the university.
- **4<sup>th</sup> step:** The company determines the degree to which all training will be centralized.
- **5<sup>th</sup> step:** It is important to identify the needs of university 'customer' including employees, managers, suppliers and external customers.



## Creating a Corporate University

Creating a corporate (training) university involves some steps as noted below (continued):

- 6<sup>th</sup> step: Products and services are developed.
- 7<sup>th</sup> step: the company chooses learning partners including suppliers, consultants, colleges and other educational institutes.
- 8<sup>th</sup> step: Company develops a strategy for using technology to train more employees and do so more frequently and more cost effectively.
- 9<sup>th</sup> step: Learning that occurs as a result of corporate university is linked to performance improvement
- Finally: The value of the corporate university is communicated to potential 'customers'.



## Corporate University Model

This model includes some drawbacks as noted below:

- It's more suitable for large companies with ample resources to invest in long-term training.
- There may be conflicts related to the curriculum of content areas.
- It's challenging to ensure successful remote engagement.



## Business Embedded Model

The model is customer-centric and treats trainees and managers as customers. It is tied together the specific competency needs to achieve strategic and day to day objectives to provide a direct alignment with the current business environment and organizational needs. Here the participants are accountable for their performance. The advantages of this model are-

- It helps improve competitive advantage by focusing on organizational needs.
- The training goals are focused on the customer, making it a favored model for the service industry.



## Business Embedded Model

The advantages of this model as continued from prepage are-

- It focuses on ensuring there is a measurable return on training investment.
- The model aims to adapt to changing circumstances.

The disadvantages may be as follows:

- Conducting a comprehensive needs analysis, though essential, can be time consuming.
- Many organizations neglect to perform training evaluations.
- Organizations must be careful to avoid a waste of resources.



## Business Embedded Model

**The features of this model are-**

- **There are strategic directions**
- **Understanding of product life cycles**
- **Product designs**
- **Structural versatility**
- **Product delivery**
- **Accountability for results**



# REFERENCES

- Noe, R.A & Kodwani, A.D. (2019). Employee Training and Development, Mc Graw Hill, Chennai.
- Bingham, T., and Corner, M. (2010). The New Social Learning, Alexandria VA: ASTD Press.
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# CONCLUSION

**This part of lecture session has given clear picture on various models of strategic training as followed by training department of business units, divisions and universities which includes, faculty model, customer model, metrics model, business embedded model and corporate university model. Learners will have thorough knowledge all about these from this lecture.**



**THANK  
YOU !**



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### **TRAINING AND DEVELOPMENT**

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#### **Module 2:**

**Lecture 04 : Learning, Training and Development from Change Model Perspective**

# TRAINING AND DEVELOPMENT

This part of lecture session will be held on the learning, training and development from a change model perspective.



# Introduction to Learning and Training

**From a company's perspective, what employees learn, i.e., acquiring knowledge, skills, competencies, attitudes or behaviours that contributes to the development of intangible assets.**

**Training refers to a planned effort taken by the company for employees to master their knowledge, skills and behaviours in order to apply them in their day-to-day activities.**



## The Change Model Perspective

The term 'change' involves the adoption of a new idea or a behaviour by a company. It includes, new technology, the need to take better advantage of employee skills and capitalize on a diverse workforce or, the desire to enter into global markets.

In the context of learning, training and development initiatives to contribute to business strategy, they must be implemented successfully, accepted and used by the customers including managers, executives and employees.



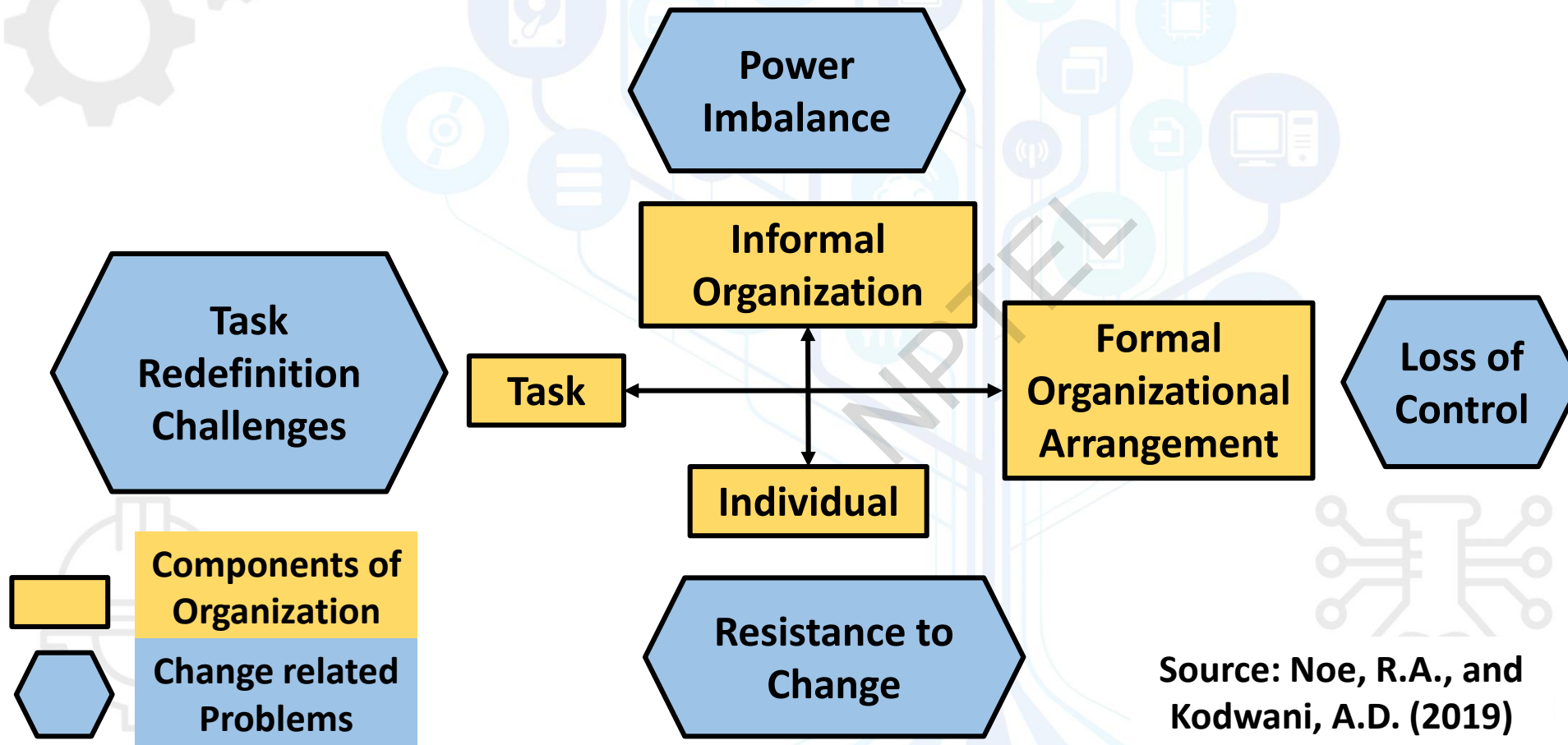
## Conditions for Change

**There are four conditions necessary for change to occur:**

- i. Employees must know the reasons for change and they are agreed with the reasons.**
- ii. Employees must have the required skills to implement the change.**
- iii. Employees must see that managers and other powerful employees support the change.**
- iv. Organizational structures such as performance management and compensation system must support the change.**



## Change Model at a Glance



Source: Noe, R.A., and Kodwani, A.D. (2019)

## Change Model

The diagram in the prepage shows that there are four change related problems which need to be addressed before going to implement the new training practice. They are-

- Resistance to change
- Loss of control
- Power imbalance, and
- Task redefinition

## Change Model

### ➤ Resistance to change

The organizational managers and employees may be anxious about change, feel like unable to cope up, value the current and do not understand the value of new one.

### ➤ Loss of control

It is related to change with managers' and employees' ability to obtain and distribute valuable resources such as data, information and money. Change can give less control or control over that they did not have earlier.

## Change Model

### ➤ Power imbalance

Power is referred to the ability to influence others. Managers may lose the ability to influence employees as they get access to database and other information, thus getting more autonomy.

### ➤ Task redefinition

In case of for example, Web-based training, it creates changes in the roles and responsibilities of managers and employees.

## Change Model: Components of the Organization

As shown in the prepage diagram, there are components like, individual, task, informal organization and formal organizational arrangement.

- **Tasks:** Organization has a process to assign tasks to its employees to achieve its goals.
- **Individual:** The individual motives play an important role in the fulfillment of organisation goals. People cannot work in organisation without any motives, purposes.
- **Informal organization:** It is the interlocking social structure that governs how people work together in practice.
- **Formal organization** It is an organization with a fixed set of rules of intra-organization procedures and structures



## Change Model: Major Steps in Change Process

There are following seven major steps of change process that training professional can take into consideration:

- Clarifying the request for change:
- Making the vision clear
- Designing the solution
- Communication and marketing for buy-in
- Choosing and announcing the action as soon as possible
- Executing and creating short-term wins
- Following up, re-evaluation and modification



## Change Model: Major Steps in Change Process

- **Clarifying the request for change:**

This stage is dealt with the clarifications made in terms of the reasons for change, fitness to organizational strategy, effect on people and expected outcomes.

- **Making the vision clear**

This stage is to identify the reason for change, desired for achievement and how the change will be achieved.



## Change Model: Major Steps in Change Process

- **Designing the solution**

This stage helps to review the potential risk and benefits from different approaches and to find out the best mix of performance measures and feedback.

- **Communication and marketing for buy-in**

This stage helps to connect with other groups that will be involved including, communication, finance and operations to consider the impact of change and develop an internal marketing plan.



## Change Model: Major Steps in Change Process

- **Choosing and announcing the action as soon as possible**

This stage helps to make employees understand the causes of taking final action for change. Communicating logic and reasoning can help overcoming resistance to change.

- **Executing and creating short-term wins**

In this stage managers and change leaders must model new behaviour and become enthusiastic supporters for the change process taken place.



## Change Model: Major Steps in Change Process

- **Following up, re-evaluating and modification**

This stage provides scope with enough flexibility for making changes if required. Necessary information about mistake (if any), issues and work with the employees affected are shared with the employees.

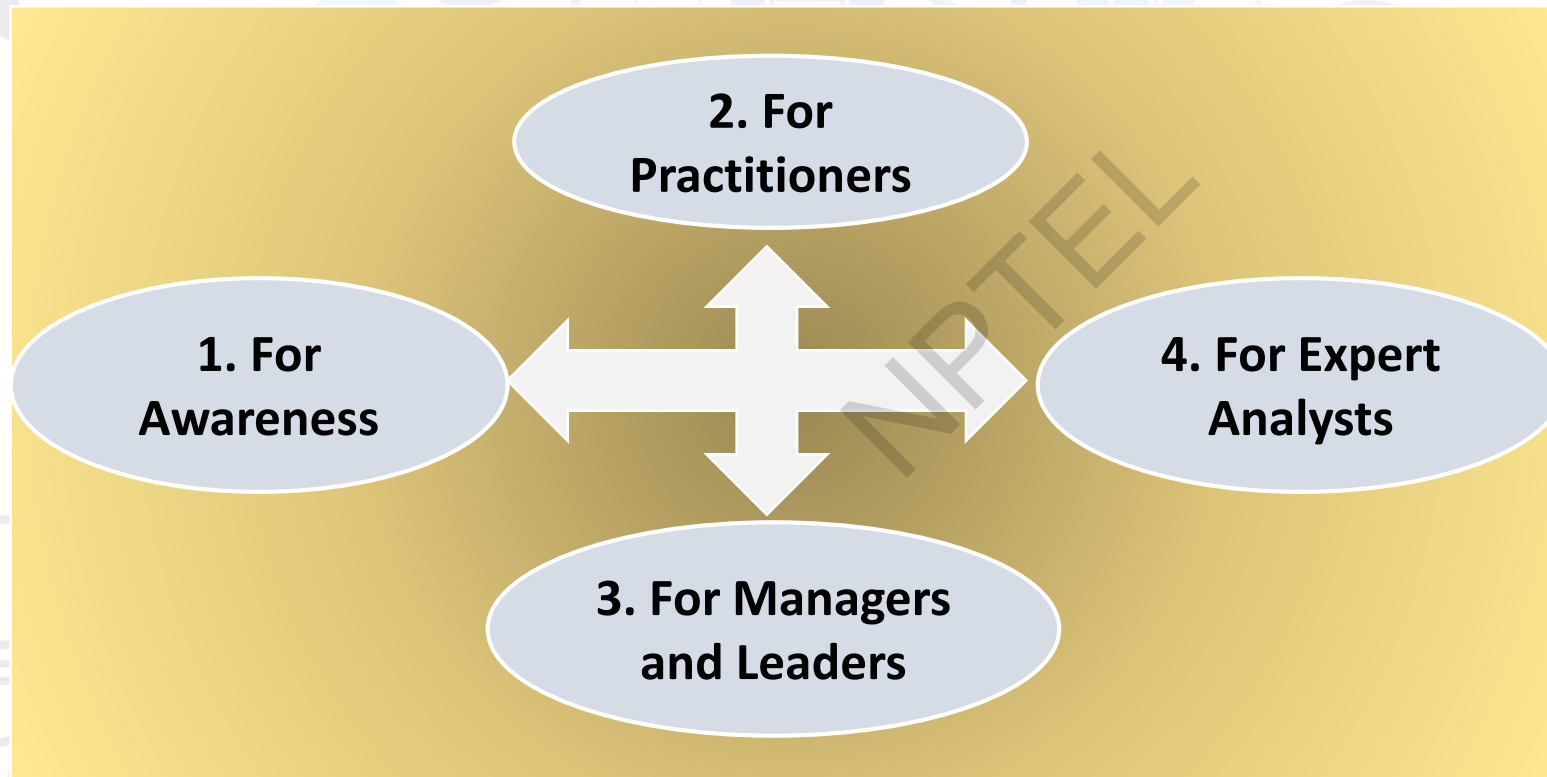
# Training as Decision Making

## The Concept

Everyone is required to make decisions and solve problems in their business as well as in their personal lives. Decision-Making training contains all the materials needed to train others to make effective and appropriate decisions. Decision making training can provide and enhance the management and leadership the skills needed at every level of their organizational management.



## The Need for Training as Decision Making



# The Need for Training as Decision Making

## 1. For Awareness

- ❖ Styles of decision making - Exploring rational, intuitive and emotional decision making styles to learn their strengths and weaknesses.
- ❖ Mistakes, biases, procrastination, and common decision making traps - Avoid and reduce common decision errors through awareness and simple strategies provided in this module.
- ❖ Decision making techniques - Getting an overview of common techniques, such as multi-criteria, decision trees, pro-con, conjoint analysis, etc.,



# The Need for Training as Decision Making

## 2. For Practitioners

- ❖ Decision making process - Learning on the essential elements of a decision making process
- ❖ Evaluation of decision quality - Decision making results may not be known for years. Learn to assess decision making quality before and after the outcomes.
- ❖ Decision timing - Discovering common errors with timing and the information needed to choose effectively.
- ❖ Decision influence versus manipulation - Training explores positive ways to influence decision making, as well as ways to detect and avoid manipulation



# The Need for Training as Decision Making

## 3. For Managers and Leaders

- ❖ Decision value and prioritization exercise - Larger organizations use this exercise to generate high value opportunities in a single session.
- ❖ Ethical decision making - Distinguish personal morals from organizational ethics and guide organizational decision making to meet company core values.
- ❖ Theories for making decisions - How should we and how do we make decisions? Gain insight and survey models from neuroscience, psychology, and operations research.
- ❖ Decision automation - Understand topics such as Predictive Analytics, Big Data, business rules and trends in machine decision making.



# The Need for Training as Decision Making

## 3. For Managers and Leaders (continued)

- ❖ Group decision making - Make meetings more effective using collaborative decision making to get things done. Choose the collaboration style needed to achieve decision goals.
- ❖ Risk and opportunity analysis - Understand how to objectively evaluate and accommodate risk and opportunity in the decision making process.
- ❖ Decision support tools and software - Survey of decision making tools and how they support decision making.
- ❖ Decision making and knowledge - It is to see how decisions relate to problem solving, critical thinking, systems



# The Need for Training as Decision Making

## 4. For Expert Analysts

- ❖ Decision speed - Learn how complexity and decision loops work to slow decision making and what can be done to increase speed.
- ❖ Specific decision making technique application - Get detailed training for a specific technique focused on your application.
- ❖ Trade studies and tradeoff analysis - Overview of utility curves, multi-level criteria, decision phase gating, and decomposition of large system decisions.
- ❖ Connected decisions and requirements management - Complete training on our decision making model to manage requirements and enable true change management for large systems.



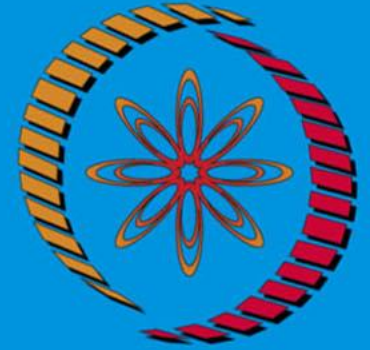
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# CONCLUSION

**This part of lecture session has given clear picture on the learning, training and development from change model perspective including the concept of change, process of change and the need for training as decision making. Theses will be helpful learning to all learners,**





**THANK  
YOU !**



## **NPTEL ONLINE CERTIFICATION COURSES**

### **TRAINING AND DEVELOPMENT**

**DR. SUSMITA MUKHOPADHYAY**

**ASSOCIATE PROFESSOR, VGSOM, IIT KHARAGPUR**

#### **Module 2:**

**Lecture 05 : Training as a Function of Human Resources Management**

# TRAINING AND DEVELOPMENT

This part of lecture session will be held on training as the function of human resource management.



## Introduction

Training may be described as an endeavor aimed to improve or develop additional competency or skills in an employee on the job one currently holds in order to increase the performance or productivity.

Technically training is conducted in a learning environment which involves change in attitude, skills or knowledge of a person with the resultant improvement in the behaviour.



## Training and Human Resources

Most of the organisations consider training and development as an integral part of the human resource development activity. Many organisations have mandated training hours per year for their employees keeping in consideration the fact that technology is deskilling the employees at a very fast rate. While designing the training program both the individual goals and organisational goals are kept in mind.

Human resources on the other hand, is the set of people who make up the workforce of an organization, business sector, industry, or economy.



## Training and HR Management

Human resource management is a contemporary, umbrella term used to describe the management and development of employees in an organization. Apart from training and learning, human resource management focused on some other major functional areas including-

- ❖ Recruiting and selection
- ❖ Compensation and benefits
- ❖ Employer and employee relations
- ❖ Labour law compliance
- ❖ Organization development and culture



## Employee Training and Development in HRM

Training and development in HRM are two different activities which goes hand-in-hand for the overall betterment of the employee. The short term and reactive process is training which is used for operational purpose while the long term process of development is for executive purpose.

Training and development is described as a maintenance subsystem, intended to improve organizational efficiency by increasing routinization and predictability of behavior. (Katz & Kahn)



## Employee Training and Development in HRM

Training and development is always identified as one of the vital human resource functions. These are often used to motivate employees and improve their organizational commitment.

The HR Management of any organization is usually in-charge of planning and execution of training & development activities in the organization. This activity includes first search of skill gaps in the organization and adopting measures for the employees who can learn new skills and improve their performance so as to contribute to the productivity of the organization.



## Importance of Training and Development in HRM

The importance of training and development in HRM are as follows:

- ❖ In HRM training and development help for optimum utilization of the manpower of organizations.
- ❖ They are the key for the succession planning of the organization as it helps in improvement of skills like team management and leadership.
- ❖ The training and development activities are vital to motivate the employee and to increase their productivity.
- ❖ They have significant role to develop a team spirit among employees in the organization.



## Importance of Training and Development in HRM

- ❖ Training and development are also important from the safety point of view as it encourages employee to perform job properly without any life risk.
- ❖ From the organizational point of view the HR training and development are important for performance management to increase profitability and enhance corporate goodwill.



## Training Need in Different Strategies

As discussed earlier, there are four business strategies which include the following:

- ❖ Concentration,
- ❖ Internal growth
- ❖ External growth and
- ❖ Disinvestment

All these have implications for training practices. Each strategy differs based on the goals of the business.



## Training Need in Different Strategies

### ❖ Concentration strategy:

A concentration strategy is when a business focuses on a specific group of clients, a specific product, or a specific geographic market. This strategy focuses on increasing market share, reducing costs, or creating and maintaining a market niche for products and services.



## Training Need in Different Strategies

### ❖ Concentration strategy (continued):

There are three sub-strategies:

#### ➤ Market Penetration

This concerns acquiring a larger percentage of the existing market for the firms existing products.

#### ➤ Market Development

This concerns selling existing products in new markets. A popular method of entering new markets with existing products is to pursue new sales channels.

#### ➤ Product Development

This concerns the creation of new products to sell or deliver within the existing market.



## Training Need in Different Strategies

### ❖ Internal growth strategy

Internal growth strategy refers to the growth within the organisation by using internal resources. Internal growth strategy focus on developing new products, increasing efficiency, hiring the right people, better marketing.

It has two main components like

- Expansion and
- Diversification



## Training Need in Different Strategies

### ❖ Internal growth strategy (continued)

#### ▪ Expansion

Expansion leads to better utilisation of the resources and to face the competition efficiently. Expansion can be happened through

- Market penetration strategy
- Market development strategy
- Product development strategy



## Training Need in Different Strategies

### ❖ Internal growth strategy (continued)

#### ▪ Diversification

The diversification is another form of internal growth strategy which is meant to allow the company to enter new lines of business that are different from current operations. There are four types of diversification

- Vertical diversification
- Horizontal diversification
- Concentric diversification
- Conglomerate diversification



## Training Need in Different Strategies

### ❖ External growth strategy

External growth (or inorganic growth) strategies are about increasing output or business reach with the aid of resources and capabilities that are not internally developed by the company itself. This can therefore, be divided between Mergers and Acquisitions strategies and Strategic Alliance Strategy (e.g. joint ventures).



## Training Need in Different Strategies

### ❖ External growth strategy (continued)

#### Mergers and Acquisitions

It has a number of advantages as a growth strategy that improves the competitive strength of the acquirer, such as-

- Business extension
- Business consolidation
- Building capabilities
- Speed of action
- Financial efficiency
- Tax efficiency
- Asset stripping



## Training Need in Different Strategies

### ❖ External growth strategy (continued)

#### Strategic Alliance (joint venture)

companies can also share resources and activities to pursue a common strategy without sharing in the ownership of the parent companies. There are two main types of strategic alliance. They are

- **Equity alliances** involve the creation of a new entity that is owned separately by the partners involved.
- **Non equity alliances** are typically looser, and do not involve the commitment implied by ownership

## Training Need in Different Strategies

### ❖ Disinvestment strategy

Disinvesting is an exit strategy that means taking out an existing investment. Disinvestment policies are commonly followed by governments to allocate resources more efficiently. It can, generally be categorized as follows:

- Organizing market segment
- Offloading unnecessary assets
- Social and legal considerations

## Training Need in Different Strategies

### ❖ Disinvestment strategy (continued)

From the government point of view, disinvestment strategies can be categorized as follows:

- **Minority disinvestment:** The Government wishes to retain managerial control over the company by maintaining the majority stake over it (equal to or more than 51 percent share).
- **Majority Disinvestment:** The Government gives up the majority stake in a government-held company. After the disinvestment, the government is left holding a minority stake in the company.

## Training Need in Different Strategies

### ❖ Disinvestment strategy (continued)

- **Strategic Disinvestment:** The government sells off a PSU to usually a non-government, private entity. The intention is to transfer the ownership of a non-performing organization to more efficient private players in the market and reduce on the financial burden on the government balance sheet.
- **Complete Disinvestment/Privatization:** 100 percent sale of Government stake in a PSU leads to the privatization of the company, wherein complete ownership and control are passed onto the buyer.



## Implication of Business Strategy for Training

| Strategy        | Emphasis                                                                                                                                                                       | Training implications                                                                                                                                                                                                                                           |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Concentration   | <ul style="list-style-type: none"><li>• Increased market share</li><li>• Reduced operating cost</li><li>• Market niche created</li></ul>                                       | <ul style="list-style-type: none"><li>• Team building</li><li>• Cross training</li><li>• Specialized program</li><li>• Interpersonal skill training</li><li>• On-the-job training</li></ul>                                                                     |
| Internal growth | <ul style="list-style-type: none"><li>• Market development</li><li>• Product development</li><li>• Innovation joint venture</li><li>• Merger</li><li>• Globalization</li></ul> | <ul style="list-style-type: none"><li>• Cultural training</li><li>• Technical competence in jobs</li><li>• Manager training in feedback and communication</li><li>• Conflict negotiation skills</li><li>• High quality communication of product value</li></ul> |

## Implication of Business Strategy for Training

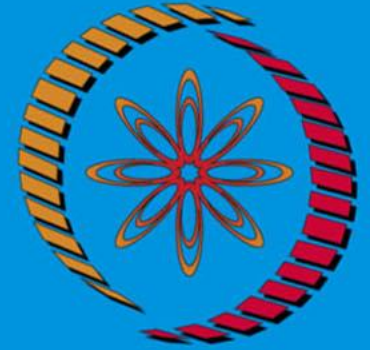
| Strategy        | Emphasis                                                                                                                                     | Training implications                                                                                                                                                                                                                                  |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| External growth | <ul style="list-style-type: none"><li>• Horizontal integration</li><li>• Vertical integration</li><li>• Concentric diversification</li></ul> | <ul style="list-style-type: none"><li>• Integration of training system</li><li>• Team building</li><li>• Development of shared culture</li><li>• Determination of capability of employee in acquiring firms</li></ul>                                  |
| Disinvestment   | <ul style="list-style-type: none"><li>• Retrenchment</li><li>• Turnaround</li><li>• Divestiture</li><li>• Liquidation</li></ul>              | <ul style="list-style-type: none"><li>• Leadership training</li><li>• Interpersonal communication</li><li>• Out placement assistance</li><li>• Job search skill training</li><li>• Motivation, goal setting, time management, cross training</li></ul> |

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# CONCLUSION

This part of lecture session has given clear picture training as important function of human resource, employees training and development in HR and training needs in different strategies which will be good lesson to the learners



**THANK  
YOU !**