

# INTRODUCTION TO EMPLOYEE TRAINING AND DEVELOPMENT

## OBJECTIVES

After reading this chapter, you should be able to

1. Define what training is and discuss the concept of high-leverage training.
2. Discuss various aspects of the training design process.
3. Explain the forces influencing the workplace and learning, and discuss how training can help companies deal with these forces.
4. Describe the amount and types of training occurring in Canadian companies.
5. Discuss job opportunities within the training and development profession.
6. Identify appropriate resources (e.g., journals, websites, organizations) for learning about current trends and practices within training and development.

## Forces Affecting the Workplace Make Training a Key Ingredient for Company Success

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Employee attraction and retention, customer service, quality and productivity, enhanced profitability—these are some of the issues affecting companies in all industries and of all sizes, and influencing their training practices. Four companies—Boston Pizza International, Bowater's Coated and Specialty Paper Division, Dofasco, and Home Depot—are examples of how these concerns have affected business and how training has helped these businesses succeed.

Boston Pizza International, based in Vancouver, British Columbia, is one of the top casual restaurant chains in Canada, with 172 restaurants in Canada and the western United States. Recently, the training and development director noticed a skills gap among the store managers: most of the managers understand the Boston Pizza concept, but they lack the soft skills needed to be successful managers. As a result, Boston Pizza College was started. At Boston Pizza College, managers learn and practise skills needed for successful store management, including professional conduct, performance management, and coaching. Boston Pizza College has paid dividends. Reports from secret shoppers and quality assurance visits have improved since the training began. Also, the restaurant chain has increased retention in an industry in which turnover can approach 300 percent.

Striving to improve quality, Bowater's Coated and Specialty Papers Division in Catawba, South Carolina, trained all employees on continuous improvement techniques. Work teams attended the training together and were given a real-world problem in their area to solve. Skills were taught as they were needed to help employees work on the problem. Each team used the

techniques acquired in training to solve their assigned problems, then measured the results of their solutions in dollars. The training teams saved \$10 million! In addition, since 1996—the first year in which training was completed—one production area has increased productivity by 2.5 percent, another by 6 percent, and the amount of poor-quality product has decreased by 55 percent.

Dofasco, a steel company in Hamilton, Ontario, has a slogan: “Our product is steel. Our strength is people.” It spends about \$15 million annually on training and development, with almost every employee participating in some kind of training. Training for replacements for some employees starts up to 10 years before the date that the present job holders are able to retire, ensuring that there are no unplanned gaps in having capable employees with the right skills. The company has been identified as one of the *Financial Post*'s 10 Best Companies to work for in Canada.

Home Depot is the world's largest home-improvement retailer, with over 1500 stores in the United States, Canada, Mexico, and Puerto Rico. Every year about 30 000 Home Depot associates participate in training and development activities designed to help their careers and improve the company's productivity and customer satisfaction. Every associate has a position curriculum to complete. The training activities include studying printed materials distributed to stores, receiving on-site instruction, and completing e-learning programs. The company is looking toward training to better drive sales performance in the stores and to build leaders from within the company. Most of the leadership development is done face-to-face, whereas e-learning, instructors, and printed materials are available learning solutions for in-store training. E-learning is used because it reduces training costs and allows employees to access training anytime. Each store has at least two e-learning computers. Home Depot's vice-president of learning has reorganized the learning function to focus on five major areas: needs assessment; cost budgeting and funding; content creation; content delivery; and evaluation. The vice-president of learning works closely with the CEO and CFO (chief financial officer) to make sure learning solutions are supporting the company strategy.

Sources: Based on T. Sosbe, “Home Depot: Building Continuing Education,” *Chief Learning Officer* (March 2003): 56–58; B. Hall, “The Top Training Priorities for 2003,” *Training* (February 2003): 38–42; T. Galvin, “The 2003 Training Top 100,” *Training* (March 2003):18–38; Paul Brent, “Our Strength Is People' More Than a Slogan,” *Financial Post* (October 22, 2005).

## INTRODUCTION

### competitiveness

A company's ability to maintain and gain market share in an industry.

### competitive advantage

An upper hand over other firms in an industry.

### human resource management

The policies, practices, and systems that influence employees' behaviour, attitudes, and performance.

Boston Pizza International, Bowater's Coated and Specialty Paper Division, Dofasco, and Home Depot illustrate how training can contribute to companies' competitiveness and profitability. **Competitiveness** refers to a company's ability to maintain and gain market share in an industry. Although they are different types of businesses, these four companies have training practices that have helped them gain a **competitive advantage** in their markets. That is, the training practices have helped them grow the business and improve customer service by providing employees with the knowledge and skills they need to be successful.

Companies are experiencing great change due to new technologies, rapid development of knowledge, globalization of business, and development of e-commerce. Also, companies have to take steps to attract, retain, and motivate their workforces. Training is not a luxury; it is a necessity if companies are to participate in the global and electronic marketplaces by offering high-quality products and services! Training prepares employees to use new technologies, function in new work systems such as virtual teams, and communicate and cooperate with peers, customers, and stakeholders who may be from different cultural backgrounds.

**Human resource management** refers to the policies, practices, and systems that influence employees' behaviour, attitudes, motivation, and performance. Human resource practices play a key role in attracting, motivating, rewarding, and retaining employees. Other human resource management practices include recruiting employees, selecting employees, analyzing and

designing work, compensating employees, and developing good labour and employee relations. Chapter 2, “Strategic Training,” details the importance placed on training and how organizations can use it to enhance their competitive advantage. To be effective, training must play a strategic role in supporting the business.

With any type of training, it is critical that the activities are linked with all human resource management practices within an organization. In addition to enhancing an employee’s contributions (through goal setting and performance management), training should also align with recruitment (through orientation programs), retention (effective and meaningful opportunities for skill development), succession planning (forecasting the correct competencies required by employees to ensure the ongoing viability of the company), and workplace health and safety issues (legal compliance).

Human resource management is one of several important functions in most companies. Other functions include accounting and finance, production and operations, research and development, and marketing. Keep in mind that although human resource management practices (such as training) can help companies gain a competitive advantage, the company needs to produce a product or provide a service that customers value. Without financial resources and physical resources (e.g., equipment) needed to produce products or provide services, a company will not survive.

The chapter begins by defining training and discussing how the training function has evolved. Next, the forces that are shaping the workplace and learning are addressed. These forces influence the company’s ability to successfully meet stakeholders’ needs. **Stakeholders** refers to shareholders, the community, customers, employees, and all of the other parties that have an interest in seeing that the company succeeds. The discussion of the forces (including technology, globalization, and attracting and winning talent) highlights the role of training in helping companies gain a competitive advantage.

The second part of the chapter focuses on current trends in the training area. This section also introduces you to job opportunities for training and development professionals. This section should also help you understand current training practices and which types of training are most supported (through budgets and dollars spent) by Canadian companies. The chapter concludes with an overview of the topics covered in the book.

### stakeholders

The parties with an interest in a company’s success (include shareholders, employees, customers, and the community).

## WHAT IS TRAINING?

### training

A company’s planned effort to facilitate employees’ learning of job-related competencies.

**Training** refers to a planned effort by a company to facilitate employees’ learning of job-related competencies. These competencies include knowledge, skills, or behaviours that are critical for successful job performance in the immediate term or near future. This is in contrast with development, which is training that provides employees with competencies for anticipated future jobs and roles. The goal of training is for employees to master the knowledge, skill, and behaviours emphasized in training programs and to apply them to their day-to-day activities. Recently it has been acknowledged that to impart a competitive advantage, training has to involve more than just basic skill development.<sup>1</sup> That is, to use training to gain a competitive advantage, companies should view training broadly as a way to create intellectual capital. Intellectual capital includes basic skills (skills needed to perform one’s job), advanced skills (such as how to use technology to share information with other employees), an understanding of the customer or manufacturing system, and self-motivated creativity. Intellectual capital and learning organizations are discussed further in Chapter 2. Keep in mind that traditionally most of the emphasis on training has been at the basic and advanced skill levels. But some estimate that soon up to 85 percent of jobs in Canada, the United States, and Europe will require extensive use of knowledge. This requires employees to share knowledge and creatively use it to modify a product or serve the customer, as well as to understand the service or product development system.

### high-leverage training

Training that uses an instructional design process to ensure that it is effective and that compares or benchmarks the company’s training programs against other companies’.

Many companies have adopted this broader perspective, which is known as high-leverage training. **High-leverage training** is linked to strategic business goals and objectives, uses an

**continuous learning**

A learning system in which employees are required to understand the entire work system including the relationships among their jobs, their work units, and the company. Also, employees are expected to acquire new skills and knowledge, apply them on the job, and share this information with fellow workers.

instructional design process to ensure that training is effective, and compares or benchmarks the company's training programs against training programs in other companies.<sup>2</sup>

High-leverage training practices also help to create working conditions that encourage continuous learning. **Continuous learning** requires employees to understand the entire work system, including the relationships among their jobs, their work units, and the company.<sup>3</sup> Employees are expected to acquire new skills and knowledge, apply them on the job, and share this information with other employees. Managers take an active role in identifying training needs and help to ensure that employees use training in their work. To facilitate the sharing of knowledge, managers may use informational maps that show where knowledge lies within the company (for example, directories and/or skills inventories that list what individuals do as well as the specialized knowledge they possess) and use technology such as groupware or the internet that allows employees in various business units to work simultaneously on problems and share information.<sup>4</sup>

Chapter 8 discusses how new technology such as the internet is being used for training. The emphasis on high-leverage training has been accompanied by a movement to link training to performance improvement.<sup>5</sup> Companies have lost money on training because it is poorly designed, because it is not linked to a performance problem or business strategy, or because its outcomes are not properly evaluated.<sup>6</sup> That is, companies have been investing money into training simply because of the belief that it is a good thing to do. The perspective that the training function exists to deliver programs to employees without a compelling business reason for doing so is being abandoned. Today, training is being evaluated not on the basis of the number of programs offered and training activity in the company, but on how training addresses business needs related to learning, behaviour change, and performance improvement. In fact, training is becoming more performance-focused. That is, training is used to improve employee performance, which leads to improved business results. Training is seen as one of several possible solutions to improve performance. Other solutions can include such actions as changing the job or increasing employee motivation through pay and incentives. Today there is a greater emphasis on:<sup>7</sup>

- Providing educational opportunities for all employees. These educational opportunities may include training programs, but they also include support for taking courses offered outside the company, self-study, and learning through job rotation, secondments, and special assignments.
- An ongoing process of performance improvement that is directly measurable rather than organizing one-time training events.
- The need to demonstrate to executives, managers, and trainees the benefits of training.
- Learning as a lifelong event in which senior management, trainer managers, and employees have ownership.
- Training being used to help attain strategic business objectives, which help companies gain a competitive advantage.

Medtronic is a good example of a company that uses high-leverage training. Medtronic is the world leader in medical technology, providing lifelong solutions for people with chronic heart and neurological diseases. Medtronic has 30 000 employees in more than 120 countries. The company has set a goal of 15 percent annual growth, a goal of doubling the size of the company in five years.<sup>8</sup> To reach this goal, Medtronic believes that people development is important. Medtronic engages employees in learning and development, which links them to the company mission to restore many people to full and productive lives and to make sure that products are available to patients who need them.

Training and development occurs only after business strategies for achieving growth are identified by the company. For example, strong leadership is needed for a growing company. Strategies that the company uses to develop leadership skills include cross-functional, global job rotations as well as mentoring. To keep up with Medtronic's growth, training and development initiatives must be flexible. The training and development staff are continually scanning the company and the broader medical device industry to understand the issues and prepare training

solutions to meet them. Medtronic is a global company, and certain skills are needed by all managers wherever they are in the world. But the various offices have the ability to adapt programs to their locations. In the Medtronic Asia/Pacific location, for example, a developing managers' program placed more emphasis on cultural awareness because the managers were from many different locations and backgrounds. Training also supports new product launches to ensure that customers get a consistent message about the product. For example, Medtronic introduced a new heart therapy with a training event broadcast via satellite to salespeople located throughout the United States.

Measuring the return on investment in research and development, marketing, sales, and human resources is key for demonstrating the value to the business. Each of Medtronic's businesses uses a scorecard to measure success and return on investment. Medtronic is currently developing metrics to measure how training contributes to the company's success.

This discussion is not meant to minimize the importance of "traditional training" (a focus on acquisition of knowledge, skills, and abilities), but it should alert you that for many companies training is evolving from a focus on skills to an emphasis on learning and creating and sharing knowledge. This evolution of training is discussed in Chapter 2.

## DESIGNING EFFECTIVE TRAINING

### training design process

A systematic approach to developing training programs. Its six steps include conducting needs assessment, ensuring employees' readiness for training, creating a learning environment, ensuring transfer of training, selecting training methods, and evaluating training programs.

The **training design process** refers to a systematic approach for developing training programs. Figure 1.1 presents the seven steps in this process. Step 1 is to conduct a needs assessment, which is necessary to identify if training is needed. Step 2 is to ensure that employees have the motivation and basic skills necessary to master training content. Step 3 is to create a learning environment that has the features necessary in order for learning to occur. Step 4 is to ensure that trainees apply the training content to their jobs. This step involves having the trainee understand how to manage skill improvement as well as getting co-worker and manager support.

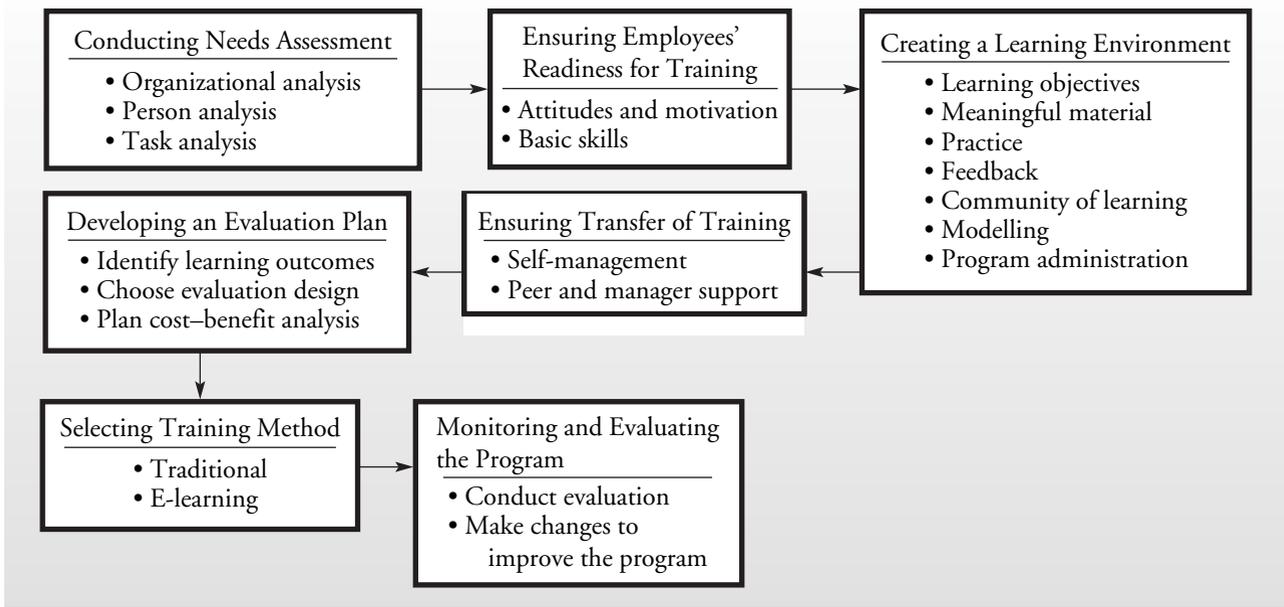
Step 5 is to develop an evaluation plan. Developing an evaluation plan includes identifying what types of outcomes training is expected to influence (for example, learning, behaviour, skills), choosing an evaluation design that allows you to determine the influence of training on these outcomes, and planning how to demonstrate training's effect on the "bottom line" (that is, using a cost-benefit analysis to determine the monetary benefits resulting from training). This is also known as measuring a training program's return on investment (ROI). Step 6 is to choose the training method based on the learning objectives and learning environment. This step may include a traditional training method of face-to-face interaction with a trainer, or e-learning using a CD-ROM or web-based training. Step 7 is to evaluate the program and make changes in it or revisit any of the earlier steps in the process to improve the program so that learning, behaviour change, and the other learning objectives are obtained.

The training design process shown in Figure 1.1 is based on principles of instructional system design. **Instructional system design (ISD)** refers to a process for designing and developing training programs. There is not one universally accepted instructional system development model. The training design process is sometimes referred to as the ADDIE model because it includes analysis, design, development, implementation, and evaluation.<sup>9</sup> In Figure 1.1, Step 1 (conducting needs assessment) and Step 2 (ensuring employees' readiness for training) are related to analysis. The next three steps (creating a learning environment, ensuring transfer of training, and developing an evaluation plan) are design issues. Step 6 (selecting and using a training method) relates to implementation. Step 7 (monitoring and evaluating the program) relates to evaluation. Regardless of the specific ISD approach used, all share the following assumptions:<sup>10</sup>

### instructional system design (ISD)

A process for designing and developing training programs.

- Measurable learning objectives should be identified before training. Training design is effective only if it helps employees reach measurable instructional or training goals and objectives.
- Evaluation plays an important part in planning and choosing a training method, monitoring the training program, and suggesting changes to the training design process.

**FIGURE 1.1** Training Design Process

Some training professionals argue that the ISD model is flawed for several reasons.<sup>11</sup> First, in actual organizations, the training design process rarely follows the neat, orderly, step-by-step approach of activities shown in Figure 1.1. Second, in trying to standardize their own ISD method used in the training function, some organizations require trainers to provide detailed documentation of each activity found in the model. This adds time and cost to developing a training program. Third, the ISD implies an end point: evaluation. However, good instructional design requires an iterative process of design, execution, evaluation, and reconsideration of the needs that the program was designed to meet, the learning environment, the transfer of training, and all the other activities in the ISD process. Despite these criticisms, the ISD model can be considered a set of general guidelines that trainers need to follow to ensure effective training.

The training design process should be systematic yet flexible enough to adapt to business needs. Different steps may be completed simultaneously. Keep in mind that designing training unsystematically will reduce the benefits that can be realized. For example, choosing a training method before determining training needs or ensuring employees' readiness for training increases the risk that the method chosen will not be the most effective one for meeting training needs. Also, training may not even be necessary and may result in a waste of time and money! Employees may have the knowledge, skills, or behaviour they need but simply not be motivated to use them.

The development of a web-based training program focusing on teaching managers skills needed to run effective business meetings provides a good example of use of the instructional design process. The first step of the process, needs assessment, involved determining that managers lacked skills for conducting effective meetings and helped to identify the types of meetings that managers were involved in. The needs assessment process involved interviewing managers and observing meetings. The needs assessment process also identified the most appropriate training method.

Because the managers were geographically dispersed and had easy access to computers, and because the company wanted a self-directed, self-paced program that the managers could complete during free time in their work schedule, the training designers and company management decided that web-based training was the appropriate method. Because training was going to be conducted over the web, the designers had to be sure that managers could access the web and

were familiar with tools for using the web (e.g., web browsers). This relates to determining the managers' readiness for training.

The next step was to create a positive learning environment on the web. Designers made sure that the program objectives were clearly stated to the trainees, and provided opportunities within the program for exercises and feedback. For example, trainees were asked to prepare an outline for the steps they would take to conduct an effective meeting. The designers built into the program a feedback system that indicated to the managers which of the steps they outlined were correct and which needed to be changed. The designers also built in assessment tests allowing the trainees to receive feedback through the program and to skip ahead or return to earlier material based on their scores on the tests. The assessment included a test of meeting skills that the managers completed both prior to and after completing the program. The assessment tests were stored in a databank that the company could use to evaluate whether trainees' meeting skills improved from pre-training levels.

## ■ THE FORCES INFLUENCING WORKING AND LEARNING

Table 1.1 illustrates the forces that are influencing working and learning. Globalization of business, demographic changes, new technologies, and economic changes are several of the forces shown in Table 1.1 that influence all aspects of our lives: how we purchase products and services, how we learn, how we communicate with each other, and what we value in our lives and on the job.<sup>12</sup> These forces are affecting individuals, communities, businesses, and society. To survive, companies must address these forces—with training playing an important role.

### Globalization

Every business must be prepared to deal with the global economy. Global business expansion has been made easier by technology. The internet allows data and information to be instantly accessible and sent around the world. The internet, e-mail, and video conferencing enable business deals to be completed between companies and individuals thousands of kilometres apart.

Globalization has affected not just businesses with international operations. Companies without international operations may buy or use goods that have been produced overseas, hire employees with diverse backgrounds, or compete with foreign-owned companies operating within Canada.

Many companies are entering international markets by exporting their products overseas, building manufacturing facilities in other countries, entering into alliances with foreign companies, and engaging in e-commerce. Developing nations such as Taiwan, Indonesia, and China may account for over 60 percent of the world economy by 2020.<sup>13</sup> Globalization is not limited

**TABLE 1.1** Forces Influencing Working and Learning

Globalization
Need for leadership
Increased value placed on knowledge
Attracting and retaining talent
Customer service and quality emphasis
Changing demographics and diversity of the workforce
New technology
High-performance models of work systems
Economic changes

to a particular sector of the economy or product market. For example, Procter and Gamble is targeting feminine hygiene products to new markets such as Brazil.<sup>14</sup> Competition for local managers exceeds the available supply. As a result, companies have to take steps to attract and retain managers. In Beijing, China, Starbucks researched the motivation and needs of the potential local management workforce, and found that managers were moving from one local Western company to another for several reasons. In the traditional Chinese-owned companies, rules and regulations allow little creativity and autonomy. Also, in many joint North American–Chinese ventures, local managers were not trusted. To avoid local management turnover, in its recruiting efforts Starbucks emphasized its casual culture and opportunities for development. Starbucks also spent considerable time in training. New managers were sent to Tacoma, Washington, to learn the corporate culture as well as the secrets of brewing flavourful coffee.

Besides training and developing local employees and managers, many companies are sending Canadian employees and managers to work in international locations. Cross-cultural training is important in preparing employees and their families for overseas assignments. Cross-cultural training helps employees and their families (1) to understand the culture and norms of the country to which they are being relocated and (2) to return to Canada after their assignment.

Globalization also means that employees working in Canada will come from other countries. Immigrants provide scientific talent as well as fill low-wage jobs. Ways of effectively utilizing the skills of immigrant workers must be continually explored and training will play a critical role in this process. North American employees will need skills to improve their ability to communicate with employees from different cultures. Canadian employees will need knowledge and understanding of other cultures, and skills to improve their communication with people from these cultures, as the Canadian workforce becomes more diverse.

Globalization also means that Canadian companies may move jobs overseas; **offshoring** refers to the process of moving jobs from Canada to other locations in the world. It has been stated that many of Canada's future employees will be living in China and/or India. For example, many technical workers are being asked to train their foreign replacements, who return to their home countries once the training is completed.<sup>15</sup> The Canadian workers either lose their jobs or are offered other jobs at lower wages. As an example, Canadian educational institutions are graduating fewer Canadian-born engineers, so companies have to look overseas to hire the best employees. Implications of the North American Free Trade Agreement and the granting of visas to targeted groups of employees will continue to be examined and discussed by the federal government.

### offshoring

The process of moving jobs from Canada to other locations in the world.

## The Need for Leadership and Coaching

The aging of the workforce and globalization mean that companies will need to identify, train, and develop employees with managerial and leadership talent. Executive, administrative, and managerial occupations will experience the greatest turnover due to death or retirement.<sup>16</sup> This will result in a significant loss of senior level human resources.

Many companies do not have employees with the competencies necessary to manage in a global economy.<sup>17</sup> For example, 85 percent of Fortune 500 companies believe that they do not have enough employees with global leadership skills. Among those companies that believe that they have employees with global leadership skills, 60 percent of the firms believe that those employees' skills are not adequate. To successfully manage in a global economy, managers need to have a strong emotional quotient, be self-aware, and be able to build international teams and create global management and marketing practices. Managers must also be able to interact with and manage employees from diverse cultural backgrounds. Strategic leaders often fulfill a coaching role, as they guide and support employees. Management based upon control and power is no longer effective. Leaders/coaches must motivate and encourage people, while articulating strategic goals and directions.

Effective managers are also important because they help motivate and retain employees. One of the key reasons that employees leave jobs is because they are uncomfortable with the working environment created by their manager.<sup>18</sup> Effective managers not only perform the basic management functions (planning, organizing, leading, and controlling), but are also good communicators, help employees develop, and work collaboratively with employees (rather than relying on an autocratic leadership style).

Companies need both to identify employees with managerial talent and to help potential new managers as well as current managers develop the skills needed to succeed. This includes providing employees with mentors, job experiences, and formal courses to develop their skills. (Employee development and succession planning are discussed in Chapters 9 and 10.) For example, Charles Schwab, the discount stockbroker, uses employee surveys to find out how employees are feeling about workloads, benefits, office culture, and career development.<sup>19</sup> Managers are responsible for identifying any serious problems indicated by the survey. They are expected to meet with their employees and develop plans to solve the problems. Schwab provides managers with coaching and training so that they can develop the skills necessary to be more effective managers. If employees are critical of a manager's interpersonal skills, Schwab may require the manager to take a communication seminar or assign a more senior manager mentor who can model and offer suggestions on effective communication skills.

## Increased Value Placed on Knowledge

### knowledge workers

Employees who own the means of producing a product or service. These employees have a specialized body of knowledge or expertise which they use to perform their jobs and contribute to company effectiveness.

### empowerment

Giving employees responsibility and authority to make decisions regarding product development or customer service.

Today, more and more companies are interested in developing intellectual capital as a way to gain an advantage over competitors. As a result, companies are trying to attract, develop, and retain knowledge workers. **Knowledge workers** are employees who contribute to the company not through manual labour, but through what they know about customers or a specialized body of knowledge. Employees cannot simply be ordered to perform tasks; they must share knowledge and collaborate on solutions. Knowledge workers contribute specialized knowledge that their managers may not have, such as information about customers. Managers depend on them to share information. Knowledge workers have many job opportunities. If they choose, they can leave a company and take their knowledge to a competitor. Knowledge workers are in demand because of the growth of jobs requiring them. Service-producing industries will account for much of the job growth to 2013.<sup>20</sup> Health services, systems design and service, scientific, technical, and advertising services, and social science, education, and government service domains are expected to show annual growth of from 2.0 percent to 3.5 percent.

To completely benefit from employees' knowledge requires a management style that focuses on developing and empowering employees. **Empowerment** means giving employees responsibility and authority to make decisions regarding all aspects of product development, implementation, and/or customer service.<sup>21</sup> Employees are then held accountable for products and services; in return, they are accountable for any resulting profits or losses. For empowerment to be successful, managers must be trained to link employees to resources within and outside the company (people, websites, etc.), help employees interact with their fellow employees and managers throughout the company, and ensure that employees are updated on important issues and cooperate with each other. Employees must also be trained to understand how to use the web, e-mail, company intranet, and other tools for communicating, collecting, and sharing information.

As more companies become knowledge-based, it's important that they promote and capture learning at the individual, department/team, and company levels. Buckman Laboratories is known for its knowledge management practices.<sup>22</sup> Buckman Laboratories develops and markets specialty chemicals. The company's CEO, Robert Buckman, has developed an organizational culture, the technology, and the work processes that encourage the sharing of knowledge. Employees have laptop computers so they can share information anywhere and anytime using the internet. The company rewards innovation and knowledge creation and exchange by including the sales of

new products as part of employees' performance evaluations. Buckman also changed the focus of the company's information systems department, renaming it the knowledge transfer department to better match the service it is supposed to provide.

In addition to acquiring and retaining knowledge workers, companies need to be able to adapt to change. **Change** refers to the adoption of a new idea or behaviour by a company. Technological advances, changes in the workforce or government regulations, globalization, and new competitors are among the many factors that require companies to change. Change is inevitable in companies as products, companies, and entire industries experience shorter life cycles.<sup>23</sup> For example, Samsung Electronics cut one-third of the payroll, replaced half of its senior managers, sold off \$1.9 billion in assets, and introduced new products to save itself from bankruptcy. The characteristics of an effective transition management process are discussed in Chapter 12.

A changing environment means that all employees must embrace a philosophy of learning. A **learning organization** embraces a culture of lifelong learning, enabling all employees to continually acquire and share knowledge. Improvements in product or service quality do not stop when formal training is completed.<sup>24</sup> Employees need to have the financial resources, time, and content resources (courses, experiences, development opportunities) available to increase their knowledge. Managers take an active role in identifying training needs and helping to ensure that employees use training in their work. Also, employees should be actively encouraged to share knowledge with colleagues and other work groups across the company using e-mail and the internet.<sup>25</sup> Chapter 2 discusses learning organizations and knowledge management in detail. For a learning organization to be successful requires that teams of employees collaborate to meet customer needs. Managers need to empower employees to share knowledge, identify problems, and make decisions. This allows the company to continuously experiment and improve.

### change

The adoption of a new idea or behaviour by a company.

### learning organization

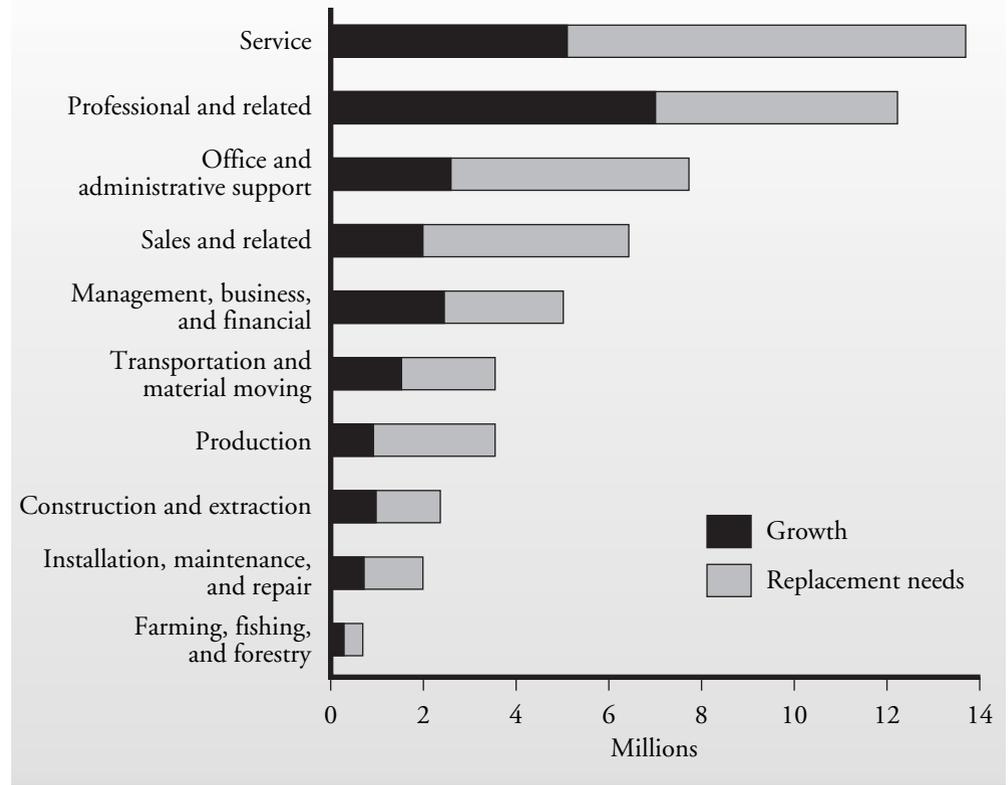
A company that has an enhanced capacity to learn, adapt, and change; an organization whose employees continuously attempt to learn new things and then apply what they have learned to improve product or service quality.

## Talent Management: Attraction, Retention, and Maintenance

As the economy grows, a much larger number of new workers will be needed due to replacement (i.e., job openings due to death, disability, retirement, or leaving the labour force for education or to stay at home).<sup>26</sup> As the North American and global populations grow, there will be more consumers of goods and services, increasing demand for employees.<sup>27</sup> Figure 1.2 shows expected job openings due to new jobs (growth) and job openings resulting from replacement. Most of the job growth in professional specialties is expected among computer and mathematical occupations, health care practitioners and technical occupations, and education, training, and library occupations. Computer-related positions such as computer engineer, computer support specialist, systems analyst, and computer database administrator are projected to be four of the fastest growing jobs in the economy.<sup>28</sup>

The labour force is expected to grow by 0.9 percent from 2009 to 2013. Although immigrants will fill many jobs, the main source of employees for the new jobs will be school leavers. It is anticipated that some 1.3 million new jobs will be created due to expanded demand between 2004 and 2008, but replacements for employees who have retired or left the labour force will amount to some 1.5 million.<sup>29</sup> Table 1.2 highlights the key industries in which Canada is expected to see employment and productivity growth in the future. The current tight labour market could be exacerbated, hindering prospects for economic growth and putting a greater burden on those remaining in the workforce, perhaps forcing them to work longer hours. Especially in occupations with functions less conducive to technology-driven productivity innovations—many jobs in health services and educational services, for example—service may suffer and needs could go unmet unless older workers can be retained or other sources of workers can be found. Even in occupations in which technological innovations have produced relatively large productivity gains—many of the more complex machining jobs in manufacturing, for example—the learning curves often are steep, meaning that new workers need to enter these occupations soon, so they can become proficient in the necessary skills by the time the baby boomers begin leaving the

**FIGURE 1.2** Job Openings Due to Growth and Replacement Needs by Major Occupational Group, Projected 2000–10



Source: “Tomorrow’s Jobs” in the 2002–03 *Occupational Outlook Handbook*, chart 11. From website <http://stats.bis.gov/oco/oco2003.htm>.

labour force. As the age of the labour force rises, a greater number of people will leave the labour force due to death, disability, or retirement.

The largest number of job openings will be in occupations requiring a bachelor’s degree and on-the-job training. For example, the Canadian Council of Human Resources Associations has set the standard that, by 2011, anyone wishing to apply for the certified human resource professional (CHRP) designation must have a minimum educational attainment of an undergraduate degree. Two-thirds of projected openings require only on-the-job training—but these jobs typically offer low pay and benefits; 70 percent of the fastest growing occupations require postsecondary education and training. Although companies will need employees with all levels of education and training, those with the most education usually will have more options in the job market and better chances of obtaining higher paying jobs.

As the occupational structure of the North American economy has shifted, skill requirements have changed.<sup>30</sup> The demand for specific skills is being replaced by a need for cognitive skills—mathematical and verbal reasoning ability—and interpersonal skills related to being able to work in teams or to interact with “customers” in a service economy (e.g., patients, students, vendors, suppliers). Cognitive and interpersonal skills are important because, in the service-oriented economy, employees must take responsibility for the final product or service. Variety and customization require employees who are creative and good problem solvers. Continuous innovation requires the ability to learn. To offer novelty and entertainment value to customers, workers must be creative. Most companies relate these skills with educational attainment, so many firms use a college or university degree as a standard to screen prospective employees.

**TABLE 1.2** Employment and Productivity Growth by Industry, 2004–2013

	Employment Share (%)		Annual Average Growth (%)	
	2003	2013	2004–2008	2009–2013
Management	8.8	9	1.8	1.1
Business, finance, and administration	19.7	19.6	1.4	0.9
Natural and applied sciences	6.9	7.6	2.3	2.0
Health	6.1	7.0	3.5	1.7
Social science, education, and government service	7.2	7.4	2.0	1.0
Art, culture, recreation, and sport	3.0	2.9	1.3	0.7
Sales and service	29.6	29.0	1.4	0.6
Trades, transport, and equipment operators	15.3	14.9	1.1	0.8
Primary industry	3.6	3.3	0.6	0.4
Processing, manufacturing, and utilities	8.6	9.0	1.2	0.8

Source: Extracted from *Annex 5*, HRSDC, “Looking ahead: A ten-year outlook for the Canadian labour market 2004–2013,” October 2004.

Despite the need for high-level skills, many job applicants lack basic skills. The International Adult Literacy and Skills Survey (2005) reported that about 42 percent of working-age Canadians (aged 16–65) had low literacy, and 55 percent had low numeracy, meaning that they did not have the minimum reading, writing, math, and problem-solving skills needed to cope with the demands of everyday life in a complex, advanced society.<sup>31</sup> Given the tight labour market and numerous job applicants’ lack of basic skills, many companies are unable to hire qualified employees. But they are unwilling or unable to leave jobs open. Therefore, they have to hire employees with skill deficiencies and rely on training to correct the deficiencies. Leading Canadian companies have recognized the impact of literacy, and the lack of it. Each year, Awards for Excellence in Workplace Literacy are given to five or six companies that have demonstrated their commitment to training employees in the basic skills.

Retention and maintenance are an important part of talent management. Talented employees are looking for growth and a career path. Training and development is a key to keeping and maintaining talented employees.<sup>32</sup> A recent survey of changes in the Canadian workforce in the context of ongoing and social change identified that a large group of workers are more concerned with opportunities for mentoring and growth than job security and stable employment.<sup>33</sup> Employees have a strong desire to keep their skills and knowledge current. Linda Duxbury, of Carleton University, has conducted research indicating that Canadian workers want to achieve an appropriate work–life balance. Strategic training that provides employees with the competencies to work efficiently and effectively will go a long way to achieving this goal. This is further indication that organizations must provide learning opportunities in order to retain employees.

Management Recruiters International, an executive search firm based in Cleveland, Ohio, conducted a three-year study of turnover. The researchers found that employees’ number one reason for leaving was that the company didn’t invest enough in training. You will see in Chapter 2 that as companies use training strategically, that is, use it to support business strategy, they find that it also results in retaining talented employees.

## Customer Service and Quality Emphasis

Companies' customers judge quality and performance. As a result, customer excellence requires attention to product and service features as well as to interactions with customers. Customer-driven excellence includes understanding what the customer wants and anticipating future needs. Customer-driven excellence includes reducing defects and errors, meeting specifications, and reducing complaints. How the company recovers from defects and errors is also important for retaining and attracting customers.

Due to increased availability of knowledge and competition, consumers are very knowledgeable and expect excellent service. This presents a challenge for employees who interact with customers. The way in which clerks, sales staff, front-desk personnel, and service providers interact with customers influences a company's reputation and financial performance. Employees need product knowledge and service skills, and they need to be clear about the types of decisions they can make when dealing with customers. Customer service as a strategic training and development initiative is discussed in Chapter 2.

To compete in today's economy, whether on a local or global level, companies need to provide a quality product or service. If companies do not adhere to quality standards, their ability to sell their product or service to vendors, suppliers, or customers will be restricted. Some countries even have quality standards that companies must meet to conduct business there. **Total quality management (TQM)** is a companywide effort to continuously improve the ways people, machines, and systems accomplish work.<sup>34</sup> Core values of TQM include the following:<sup>35</sup>

### total quality management (TQM)

A style of doing business that relies on the talents and capabilities of both labour and management to build and provide high-quality products and services and continuously improve them.

- Methods and processes are designed to meet the needs of internal and external customers.
- Every employee in the company receives training in quality.
- Quality is designed into a product or service so that errors are prevented from occurring rather than detected and corrected.
- The company promotes cooperation with vendors, suppliers, and customers to improve quality and hold down costs.
- Managers measure progress with feedback based on data.

There is no universal definition of quality. The major differences in its various definitions relate to whether customer, product, or manufacturing process is emphasized. For example, quality expert W. Edwards Deming emphasized how well a product or service meets customer needs. Phillip Crosby's approach emphasizes how well the service or manufacturing process meets engineering standards. The Deming Prize was the first established quality award. It is a Japanese (inspired by an American) competition that is held every year and many would regard it as the most prestigious quality reward.

The National Quality Institute's Canada Awards for Excellence have been held annually since 1984, in October, as part of Quality Month. The awards recognize quality in education, government, health care, entrepreneurship, innovation, manufacturing, and service. Each sector of the economy competes on a common set of criteria, based on quality principles. The objective is recognition. No financial rewards are attached to the awards. The companies recognized in 2005 were 3M Canada Co., NuComm International, Xerox North America Teleweb, Real Estate Board of Greater Vancouver, and Purolator Courier Ltd.

### Malcolm Baldrige National Quality Award

National award created in 1987 to recognize U.S. companies' quality achievements and to publicize quality strategies.

The emphasis on quality is seen in the United States in the establishment of the Malcolm Baldrige National Quality Award and the ISO 9000:2000 quality standards. The **Malcolm Baldrige National Quality Award**, created by public law, is the highest level of national recognition for quality that a U.S. company can receive. To become eligible for the Baldrige, a company must complete a detailed application that consists of basic information about the firm, as well as an in-depth presentation of how it addresses specific criteria related to quality improvement. The categories and point values for the Baldrige Award are found in Table 1.3. The award is

not given for specific products or services. Three awards may be given annually in each of these categories: manufacturing, service, small business, education, and health care. All applicants for the Baldrige Award undergo a rigorous examination process that takes from 300 to 1000 hours. Applications are reviewed by an independent board of about 400 examiners who come primarily from the private sector. Each applicant receives a report citing strengths and opportunities for improvement. Unlike for the Canadian awards, winners of the Baldrige Award can be given cash prizes. This is a practice that is not universally acclaimed.<sup>36</sup>

Pal's Sudden Service is a 2001 Baldrige Award winner, the first business in the restaurant industry to receive the award.<sup>37</sup> Pal's Sudden Service is a quick-service restaurant chain that serves drive-through customers within 100 kilometres of Kingsport, Tennessee. The chain has 465 employees, most of whom are in production and service roles. The restaurants sell hamburgers, hot dogs, chipped ham, chicken, french fries, and breakfast biscuits with ham, sausage, and gravy. The company distinguishes itself from fast-food competitors by offering high-quality food quickly delivered in a cheerful manner and without error. Nothing that Pal's does is done without a good understanding of its effect on customer satisfaction. Customer, employee, and supplier feedback is critical to all processes and is gathered both formally and informally. Pal's owners must spend a part of every working day listening to employees' and customers' views on how the restaurant is performing and their ideas for improvement. The company's training and development processes support the business. Managers use a four-step model for staff training: show, do it, evaluate, and perform again. Employees must demonstrate 100 percent competence before they are allowed to work at a work station. Initial training for all employees includes intensive instruction on effective listening skills, health and safety, and organizational culture.

**TABLE****1.3****Categories and Point Values for the Malcolm Baldrige National Quality Award Examination**

<b>Leadership</b>	<b>120</b>
The way senior executives create and sustain corporate citizenship, customer focus, clear values, and expectations and promote quality and performance excellence	
<b>Measurement, Analysis, and Knowledge Management</b>	<b>90</b>
The way the company selects, gathers, analyzes, manages, and improves its data, information, and knowledge assets	
<b>Strategic Planning</b>	<b>85</b>
The way the company sets strategic direction, how it determines plan requirements, and how plan requirements relate to performance management	
<b>Human Resource Focus</b>	<b>85</b>
Company's efforts to develop and utilize the workforce and to maintain an environment conducive to full participation, continuous improvement, and personal and organizational growth	
<b>Process Management</b>	<b>85</b>
Process design and control, including customer-focused design, product and service delivery, support services, and supply management	
<b>Business Results</b>	<b>450</b>
Company's performance and improvement in key business areas (product, service, and supply quality; productivity; and operational effectiveness and related financial indicators)	
<b>Customer and Market Focus</b>	<b>85</b>
Company's knowledge of the customer, customer service systems, responsiveness to customer, customer satisfaction	
<b>Total Points</b>	<b>1000</b>

Source: Based on 2003 Baldrige National Quality Program Criteria for Performance Excellence from the website for the National Institute of Standards and Technology, [www.quality.nist.gov](http://www.quality.nist.gov).

Computer-based training, flash cards, and one-on-one coaching is used for training. Cross-training is required of all store-level staff to ensure that they understand all production and service features and quality standards. Pal's believes it has the responsibility to help its employees (who are mainly in their first jobs) to develop knowledge and skills they can use in future jobs. As a result, Pal's turnover rate is less than half that of the best competitor, and sales per hour have improved by about US\$6 per hour since 1998. Customer satisfaction is high, speed of filling orders has improved, and errors are rare.

### **ISO 9000:2000**

A family of standards developed by the International Organization for Standardization that includes 20 requirements for dealing with such issues as how to establish quality standards and document work processes.

The **ISO 9000:2000** standards were developed by the International Organization for Standardization in Geneva, Switzerland.<sup>38</sup> ISO 9000 is the name of a family of standards (ISO 9001, ISO 9004) that include requirements for dealing with issues such as how to establish quality standards and document work processes to help companies understand quality system requirements. ISO 9000:2000 has been adopted as a quality standard in nearly 100 countries, including Austria, Switzerland, Norway, Australia, and Japan. The ISO 9000:2000 standards apply to companies in many different industries—for example, manufacturing, processing, servicing, printing, forestry, electronics, steel, computing, legal services, and financial services. ISO 9001 is the most comprehensive standard because it covers product or service design and development, manufacturing, installation, and customer service. It includes the actual specification for a quality management system. ISO 9004 provides a guide for companies that want to improve. ISO 9001:2000 was introduced in December 2003. It is based on processes rather than procedures and requires organizations to define competencies needed for work affecting quality, to evaluate the effectiveness of training, and to test staff awareness of quality objectives. It also stresses the importance of customers. Canada is represented in the International Organization for Standardization by the Standards Council of Canada.<sup>39</sup>

Why are standards useful? Customers may want to check that the product they ordered from a supplier meets the purpose for which it is required. One of the most efficient ways to do this is when the specifications of the product have been defined in an international standard. That way, both supplier and customer are on the same wavelength, even if they are based in different countries, because they are both using the same references. Today many products require testing for conformance with specifications or compliance with safety or other regulations before they can be put on many markets. Even simpler products may require supporting technical documentation that includes test data. With so much trade taking place across borders, it may just not be practical for these activities to be carried out by suppliers and customers; rather, it is done by specialized third parties. In addition, national legislation may require such testing to be carried out by independent bodies, particularly when the products concerned have health or environmental implications. One example of an ISO standard is on the back cover of this book and nearly every other book: it is something called an ISBN, or international standard book number. Publishers and booksellers are very familiar with ISBNs, since they are the means through which books are ordered and bought. Try buying a book on the internet, and you will soon learn the value of the ISBN—there is a unique number for the book you want! And it is based on an ISO standard.

### **Six Sigma process**

A process of measuring, analyzing, improving, and then controlling processes once they have been brought within the Six Sigma quality tolerances or standards.

In addition to competing for quality awards and seeking ISO certification, many companies are using the Six Sigma process. The **Six Sigma process** refers to a process of measuring, analyzing, improving, and then controlling processes once they have been brought within the narrow Six Sigma quality tolerances or standards. The objective of Six Sigma is to create a total business focus on serving the customer, that is, to deliver what customers really want when they want it. For example, at General Electric, introducing the Six Sigma quality initiative meant going from approximately 35 000 defects per million operations—which is average for most companies, including GE—to fewer than four defects per million in every element of every process GE businesses perform—from manufacturing a locomotive part to servicing a credit card account to processing a mortgage application to answering a phone.<sup>40</sup> Training is an important component of the process. Six Sigma involves highly trained employees known as Champions, Master Black Belts, Black Belts, and Green Belts who lead and teach teams that are focusing on an ever-growing number of quality projects. The quality projects focus on improving efficiency and reducing errors in products and

services. Today, GE has over 100 000 employees who have been trained in Six Sigma. Employees are working on more than 6000 quality projects. Since 1996, when the Six Sigma quality initiative was started, it has produced more than \$2 billion in benefits for GE.

Training can help companies meet the quality challenge by teaching employees statistical process control and other quality-related skills that they can use to build quality into a product, rather than fix the product or service after it has been delivered to the customer. Also as a result of the emphasis on quality, employers need to train employees and managers in the interpersonal skills necessary to work together to create high-quality products and services. For example, Nalco Chemical used quality training to increase its presence in the \$2.9 billion wastewater management business.<sup>41</sup> Both managers and employees attended Phillip Crosby's quality training program. They were trained in the same basic philosophies of quality so that they could take the same view and speak the same language as their customers. In addition, management closely reviewed how quality training related to specific aspects of each person's job. Managers made certain that employees understood why they were being trained to learn certain things and how training affected their jobs. Quality training is integrated with job training at Nalco. Salespeople learned not only to sell products to customers but also to anticipate customer problems and offer solutions. Nalco Chemical attributes its nearly 50 percent market share to quality training.

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## **Changing Demographics and Increased Diversity of the Workforce**

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The Canadian population is expected to increase by 3.5 million between 2006 and 2016. The workforce will be older and more diverse than at any time in the last 40 years. The 2001 census showed that 22.71 percent of the Canadian population was foreign-born, with some 13 percent of the population being visible minorities. Immigration is predicted to remain relatively stable over the 2004–13 period, at 0.6 percent per annum. Participation by women in the labour force was at about 61.8 percent in 2005. Not only must companies face the issues of race, gender, ethnicity, and nationality to provide a fair workplace, but they must also develop training programs to help immigrants acquire the technical and customer service skills required in a service economy.

Another factor contributing to diversity is the aging of the labour force. In 1986, 10.3 percent of workers were within 10 years of (or older than) the median retirement age of 61; by 2005, this had risen to 22.1 percent of the total number of workers. The aging population means that companies are likely to employ a growing share of older workers—many of them in their second or third career. Older people want to work, and many say they plan a working retirement. An emerging trend is for qualified older employees to ask to work part-time or for only a few months at a time as a means to transition to retirement. Employees and companies are redefining what it means to be retired, to include second careers as well as part-time and temporary work assignments. Many provinces are removing the mandatory retirement age of 65 and, as well as reflecting the fact that there will be a demand for older workers, this is likely to increase the tendency for older workers to continue in the workforce. Another source of workforce diversity is greater access to the workplace for people with disabilities.

Because of this diversity, it is unlikely that all employees will hold similar work values. Research suggests that, to maximize employees' motivation and commitment to company goals, companies should give employees the opportunity to develop their skills, meet their interests, and balance work and non-work activities.<sup>42</sup> Many companies (e.g., Merck, Marriott, Hewlett-Packard) are trying to attract and keep talented employees through providing training and development opportunities and reimbursing employees for expenses related to obtaining associate, undergraduate, and graduate degrees.<sup>43</sup> For example, Marriott recognizes that most employees don't want to stay in an entry-level job such as housekeeping. So Marriott trains employees to handle a wide variety of positions and rotates them periodically to new jobs. This gives employees opportunities to find the area in which they best like to work. They are encouraged to train for promotion. The goal is to keep employees interested in their work and keep them interested in working for Marriott.

Table 1.4 shows how companies can use this increased diversity to provide a competitive advantage. Training plays a key role in ensuring that employees accept and work more effectively with each other, particularly with minorities and women. To successfully manage a diverse workforce, managers and employees must be trained in a new set of skills including:

1. Communicating effectively with employees from a wide variety of backgrounds.
2. Coaching, training, and developing employees of different ages, educational backgrounds, ethnicities, physical abilities, and races.
3. Providing performance feedback that is free of values and stereotypes based on gender, ethnicity, or physical handicap.
4. Creating a work environment that allows employees of all backgrounds to be creative and innovative.<sup>44</sup>

As discussed in Chapter 10, many companies have seen managing diversity as a way to reduce costs related to discrimination lawsuits rather than to improve company performance. As Table 1.4 shows, management of diversity contributes to a company's bottom line by its influence on creativity, problem solving, employee retention, and creation of new markets for a company's products and services. Companies that do not manage diversity will find that employees' talents are underutilized and their personal and professional needs are not being met. As a result, they will become dissatisfied and leave, resulting in a poorly performing, less competitive organization. Companies that are known for managing diversity also have an edge in attracting and retaining talented employees.

**TABLE****1.4****How Managing Cultural Diversity Can Provide Competitive Advantage**

<b>1. Cost argument</b>	As organizations become more diverse, the cost of a poor job in integrating workers will increase. Those who handle this well will thus create cost advantages over those who don't.
<b>2. Resource-acquisition argument</b>	Companies develop reputations on favourability as prospective employers for women and ethnic minorities. Those with the best reputations for managing diversity will be the most attractive employers for women and other minority groups. As the labour pool shrinks and changes composition, this edge will become increasingly important.
<b>3. Marketing argument</b>	For multinational organizations, the insight and cultural sensitivity that members with roots in other countries bring to the marketing effort should improve these efforts in important ways. The same rationale applies to marketing to subpopulations within domestic operations.
<b>4. Creativity argument</b>	Diversity of perspectives and less emphasis on conformity to norms of the past (which characterize the modern approach to management of diversity) should improve the level of creativity.
<b>5. Problem-solving argument</b>	Heterogeneity in decisions and problem-solving groups potentially produces better decisions through a wider range of perspectives and more thorough critical analysis of issues.
<b>6. System flexibility argument</b>	An implication of the multicultural model for managing diversity is that the system will become less determinant, less standardized, and therefore more fluid. The increased fluidity should create greater flexibility to react to environmental changes (i.e., reactions should be faster and cost less).

Source: T. H. Cox and S. Blake, "Managing Cultural Diversity: Implications for Organizational Competitiveness," *Academy of Management Executive* 5 (1991): 47.

## Technology

### e-commerce

A technology enabling business transactions and relationships to be handled electronically.

### internet

A global collection of computer networks that allows users to exchange data and information; a communications tool for sending and receiving messages quickly and inexpensively; a means of locating and gathering resources.

Technology has reshaped the way we play (e.g., games on the internet), communicate (e.g., cell phones, BlackBerrys), and plan our lives (e.g., electronic calendars that include internet access), and where we work (e.g., small, powerful personal computers allow us to work at home, while we travel, and even while we lie on the beach!). The internet has created a new business model—**e-commerce**, in which business transactions and relationships can be conducted electronically. The **internet** is a global collection of computer networks that allows users to exchange data and information: 75 percent of Canadian households have access to a computer and spend an average of 13.5 hours per week on it. In December 2005, a report showed that 67.9 percent of Canadians used the internet regularly, and in 2003, 2 million households participated in e-commerce, making \$3 billion in purchases of products or services.

Advances in sophisticated technology along with reduced costs for the technology are changing the delivery of training, making training more realistic and giving employees the opportunity to choose where and when they will work. New technologies allow training to occur at any time and in any place. New technologies include the internet, e-mail, CD-ROMs, DVDs, and satellite or cable television. The internet and the web allow employees to send and receive information as well as to locate and gather resources, including software, reports, photos, and videos. The internet gives employees instant access to experts with whom they can communicate and to newsgroups, which are bulletin boards dedicated to specific areas of interest, where employees can read, post, and respond to messages and articles. Internet sites also have homepages—mailboxes that identify the person or company and contain text, images, sounds, and video. For example, the professional organization for training professionals and those interested in training, the Canadian Society for Training and Development (CSTD), has a website, [www.cstd.ca](http://www.cstd.ca), on which users can search for and access articles on training topics, review training programs, purchase training materials, and participate in chatrooms on various training topics such as e-learning or evaluation.

Technology has many advantages, including reduced travel costs, greater accessibility to training, consistent delivery, the ability to access experts and share learning with others, and the possibility of creating a learning environment with many positive features such as the ability to get feedback, self-pacing, and many practice exercises. While trainer-led classroom instruction remains the most popular means of delivering training, companies report that they plan on delivering a large portion of training through learning technologies such as CD-ROMs and intranets. For example, consider how training has changed at Kinko's, the world's leading supplier of document solutions and business services, with 1100 locations in nine countries. Because Kinko's stores are geographically dispersed, the company has had to struggle with costly training programs offered in multiple locations to prepare employees for new products and services. Kinko's recently adopted a blended learning approach that includes internet instruction, job aids, virtual classroom training, and mentoring. Cost savings and greater efficiency occurred as a result of the blended approach. The approach has also resulted in increasing staff's skills and reducing their time to competence, and in increasing the speed with which new products and services can be brought to market.<sup>45</sup>

Technology is pushing the boundaries of artificial intelligence, speech synthesis, wireless communication, and networked virtual reality.<sup>46</sup> Realistic graphics, dialogue, and sensory cues can now be stored on tiny, inexpensive computer chips. The advances in technology for toys illustrate potential training applications. For example, The Sims Online is an internet game that allows players to develop fictional suburban lives. The game has the capacity for over 2000 players who can directly interact with each other to build bridges and start businesses. The military is already considering similar technology to conduct online team exercises with troops stationed around the world. Virtual sensations (vibrations and other sensory cues) are being incorporated

into training applications. For example, in medical training, machines can replicate the feeling of pushing a needle into an artery, and use sound and motion to create different situations such as a baby crying or a patient in pain.

Advances in technology, including more powerful computer chips and increasing processing power of handheld computers, have the potential for freeing workers from going to a specific location to work and from traditional work schedules. In a 2006 study, some 41 percent of 270 chief information officers, in companies with more than 100 employees, said that one of the strategies they were using to retain key IT talent was to provide telework or flexible schedules. One study showed that about 1.5 million Canadians are teleworkers.<sup>47</sup> Telecommuting has the potential to increase employee productivity, encourage family-friendly work arrangements, and help reduce traffic and air pollution. But, at the same time, technologies may result in employees being on call 24 hours a day, seven days a week. Many companies are taking steps to provide more flexible work schedules to protect employees' free time and to use employees' work time more productively. For example, Hewlett-Packard redesigned its work schedules in response to the loss of talented customer service reps who were forced to answer calls late at night and on weekends. HP allowed employees to volunteer to work at night or on weekends.<sup>48</sup> To protect employees' non-work time, Ernst and Young allows employees to wait until they return to work from vacation to answer voice mail or e-mail messages.<sup>49</sup>

### contingent workforce

Independent contractors, on-call workers, temporary workers, and contract workers.

Technology also allows companies greater use of a **contingent workforce**, independent contractors, on-call workers, temporary workers, and contract workers. Use of a contingent workforce allows companies to more easily adjust staffing levels based on economic conditions and product and service demand. And when a company downsizes by laying off contingent workers, the damage to the morale of full-time employees is likely to be less severe. Alternative work arrangements also provide employees with flexibility for balancing work and life activities.

A key training issue that alternative work arrangements present is to prepare managers and employees to coordinate their efforts so such work arrangements do not interfere with customer service or product quality. The increased use of contingent employees means that managers need to understand how to motivate employees who may actually be employed by a third party such as a temporary employee service or leasing agency.

## High-Performance Models of Work Systems

New technology causes changes in skill requirements and work roles and often results in redesigning work structures (e.g., using work teams).<sup>50</sup> For example, computer-integrated manufacturing uses robots and computers to automate the manufacturing process. Different products can be produced simply by reprogramming the computer. As a result, labourer, materials handler, operator/assembler, and maintenance jobs may be merged into one position. Computer-integrated manufacturing requires employees to monitor equipment and troubleshoot problems with sophisticated equipment, share information with other employees, and understand the relationships among all components of the manufacturing process.<sup>51</sup>

Through technology, the information needed to improve customer service and product quality becomes more accessible to employees. This means that employees are expected to take more responsibility for satisfying the customer and determining how they perform their jobs. One of the most popular methods for increasing employee responsibility and control is work teams. A **work team** involves employees with various skills who interact to assemble a product or provide a service. Work teams may assume many of the activities usually reserved for managers, including selecting new team members, scheduling work, and coordinating activities with customers and other units in the company. To give teams maximum flexibility, cross-training of

### work team

A group of employees with various skills who interact to assemble a product or produce a service.

**cross-training**

Training method in which team members understand and practise each other's skills so that members are prepared to step in and take another member's place should someone temporarily or permanently leave the team; also, more simply, training employees to learn the skills of one or several additional jobs.

team members occurs. **Cross-training** refers to training employees in a wide range of skills so they can fill any of the roles needed to be performed on the team.

Use of new technology and work designs such as work teams needs to be supported by specific human resource management practices. These practices include the following actions:<sup>52</sup>

- Employees choose or select new employees or team members.
- Employees receive formal performance feedback and are involved in the performance improvement process.
- Ongoing training is emphasized and rewarded.
- Rewards and compensation are linked to company performance.
- Equipment and work processes encourage maximum flexibility and interaction between employees.
- Employees participate in planning changes in equipment, layout, and work methods.
- Employees understand how their jobs contribute to the finished product or service.

What role does training play? Employees need job-specific knowledge and basic skills to work with the equipment created with the new technology. Because technology is often used as a means to achieve product diversification and customization, employees must have the ability to listen and communicate with customers. Interpersonal skills, such as negotiation and conflict management, and problem-solving skills are more important than physical strength, coordination, and fine-motor skills—previous job requirements for many manufacturing and service jobs. Although technological advances have made it possible for employees to improve products and services, managers must empower employees to make changes.

Besides changing the way that products are built or services are provided within companies, technology has allowed companies to form partnerships with one or more other companies. **Virtual teams** are separated by time, geographic distance, culture, and/or organizational boundaries and rely almost exclusively on technology (e-mail, internet, video conferencing, online chatrooms) to interact and complete their projects. Virtual teams can be formed within one company whose facilities are scattered throughout the country or the world. A company may also use virtual teams in partnerships with suppliers or competitors to pull together the necessary talent to complete a project or speed the delivery of a product to the marketplace. For example, the Technology One Alliance was created between BankOne, AT&T Solutions, and IBM Global Services. The success of virtual teams requires a clear mission, good communication skills, trust between members that they will meet deadlines and complete assignments, and understanding of cultural differences (if the teams have global members).

VeriFone, an equipment supplier for credit card verification and automated payments, uses virtual teams in every aspect of its business.<sup>53</sup> Teams of facilities managers work together to determine how to reduce toxins in the office. Marketing and development groups brainstorm new products. Some teams include only VeriFone employees, though others include employees of customers or partners. Virtual teams have distinct training needs. For example, VeriFone makes sure that virtual team members are trained to understand when and how to use communication technology. Guidelines stipulate that for maintaining contact remotely, teams use beepers, cell phones, and voice mail; for disseminating information, they use faxes, e-mail, and application sharing over the network. For brainstorming, discussion, and decision making, teams use e-mail, conference calls, and videoconferencing. VeriFone also emphasizes the psychological problems of virtual communication. Subtleties of meaning are lost and, moreover, misunderstandings and conflict are more common than when teams work face to face. If virtual teams are global, lack of face-to-face contact can worsen cultural differences.

Training related to understanding cultural differences in written and verbal communication is important for virtual teams. Employees must be trained in principles of employee selection, quality, customer service, and performance management. They need to understand financial data so they can see the link between their performance and company performance.

**virtual teams**

Teams that are separated by time, geographic distance, culture, and/or organizational boundaries and that rely almost exclusively on technology to interact and complete projects.

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## Economic Changes and World Events

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World events affect Canada's economic situation, and this in turn tends to affect the amount and type of training that is needed. The attack on the World Trade Center in New York on September 11, 2001, had a major economic impact and led to many concerns about threats from terrorism. This in turn led to an increase in the number and type of security employees, especially at airports. The corporate financial disaster of Enron has led to the U.S. passing the *Sarbanes-Oxley Act* (SOX), which requires more control in corporate governance issues. Any accountant in Canada who has to deal with companies in the U.S. has to know this legislation and its implications.

The booming economies of China and India have led to increased demand for metals, gas, and oil. These demands have led to rising stock prices for natural resources and consequently an increasing amount of investment by Canadian mining companies, both worldwide and in Canada. Unfortunately the mining industry has a major shortage of employees with the appropriate technical skills. Young people chose not to study the relevant subjects in recent years because the industry was in a slump, and jobs were hard to come by after they had graduated. People with skills and management experience, especially overseas, now can choose their jobs and negotiate good salaries. But these people are either past or close to retirement age. It is predicted that the industry might have a labour supply gap of approximately 71 000 workers over the 10 years from 2005 to 2015.<sup>54</sup> The main problem at the moment is that the unemployed people in Canada do not have the skills and knowledge to fill the jobs that are available. In a knowledge-based economy, higher and higher levels of skills and knowledge are required, even for relatively low-level jobs.

And yet training is an expensive activity. It is an investment for a company—and one that might be lost if a person trained by the company chooses to move to another company. Increasingly companies are expecting to see training that relates to the strategy of the company and shows a return on investment. One 1997 study showed that companies that did invest in training had 13.7 percent higher productivity, 14.1 percent higher proficiency, and 5.7 percent more revenue than companies in the same industry that did not make that investment.

## ■ SNAPSHOT OF TRAINING PRACTICES

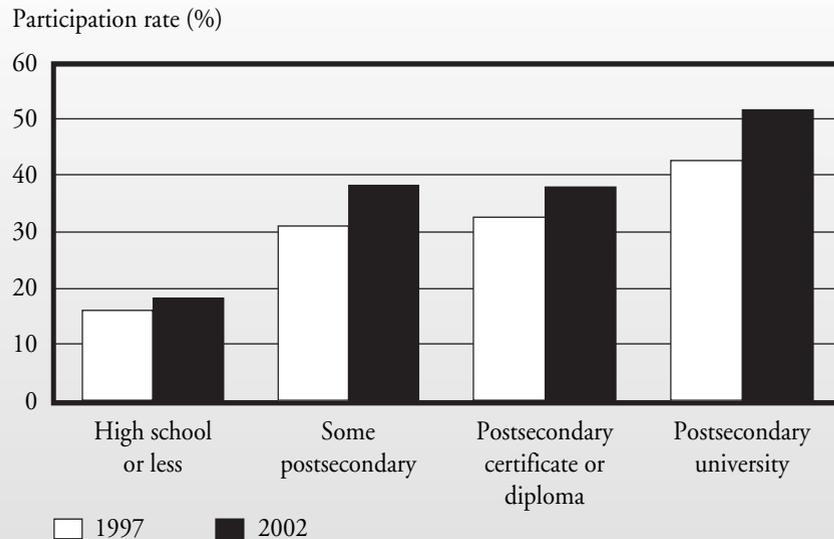
Training can play a key role in helping companies gain a competitive advantage and successfully deal with competitive challenges. Before you can learn how training can be used to help companies meet their business objectives, and before you can understand training design, training methods, and other topics covered in the text, you need to become familiar with the amount and type of training that occurs in Canada. Also, you must understand what trainers do. The next sections of this chapter present data regarding training practices (e.g., how much companies spend on training, what type of training is occurring, who is being trained) as well as job opportunities for training and development professionals.

### Training Facts and Figures

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Canada tends to invest less in training and development than other Western countries. In 2002, it was rated 12th in an international study of the priority organizations place on employee training; by 2004, it had fallen to 20th place. In 2003, the training expenditure on each employee was \$824 compared to \$1135 in the United States. The level of participation in training in Canada is lower than that in the Scandinavian countries, the U.K., the U.S.A., and several OECD countries.<sup>55</sup> About 35 percent of adult workers participated in some kind of job-related training in 2002, but much of this activity was driven by the individual worker, not the employer. Contrary

**FIGURE 1.3** Participation in Formal Job-Related Training by Educational Attainment, 1997 and 2002



Source: Valerie Peters, Research Paper: “Education skills and learning—Working, training: First results of the 2003 Adult Education and Training Survey” [www.statcan.ca/english/research/81-595-MIE/2004/015.pdf](http://www.statcan.ca/english/research/81-595-MIE/2004/015.pdf).

to what might be expected, the workers receiving the most training were the most educated. Figure 1.3 shows the participation rate within job-related training by educational attainment. Similarly the rate of participation in employer-supported training for professional and managerial job-related training (35 percent) was higher than for white-collar workers in clerical, sales and service occupations (20 percent) or blue-collar workers (16 percent).<sup>56</sup> Smaller companies offer fewer training opportunities than larger companies with over 100 employees. Smaller companies have a training participation rate of 45–53 percent, and larger companies 62–67 percent. Small companies predominate in Canada, which partly explains Canada’s low investment in training. It is usually not feasible or economically defensible for small companies to set up training departments.

## Training Investment Leaders

Canadian employers spend an average of 1.75 percent of payroll on training. Training expenditures as a percentage of payroll are highest in Asia (3.8 percent), and lowest in Japan (1.4 percent). Many of Canada’s larger companies belong to the Canadian Centre for Learning and Development, which they can join for about \$5000 a year. This gives them an opportunity to compare practices with other companies and develop benchmarks for future training activity.

One of the criteria used to identify the top 10 best employers is training activity within the company. The top 10 employers for training in 2005 were Dofasco, McDonald DeWitter and Associates Ltd., Bank of Montreal, University of Toronto, Adobe Systems Canada Inc., Business Objects Corporation, Ernst and Young LLP, Shell Canada, Keane Canada, and SaskTel.

Hewitt Associates has published a report entitled “The Best Employers in Canada 2007.” This document highlights the importance of employee engagement, and says that people must contribute to an organization’s strategic success in a meaningful way. Chapter 2 discusses the various aspects of strategic training.

## Job Opportunities for Training Professionals

Trainers can typically hold many jobs, such as instructional designer, technical trainer, or needs analyst, as shown in Table 1.5 (Table 1.6 shows other job titles). Each job has specific roles or functions. For example, one role of the needs analyst is to summarize data collected via interviews, observation, and even surveys to gain an understanding of training needs of a specific job or job family (a grouping of jobs). Special knowledge, skills, and behaviours—also called competencies—are needed to successfully perform each role. For example, the needs analyst must understand basic statistics and research methods in order to know what type of data to collect and to summarize data to determine training needs. The Canadian Society for Training and Development (CSTD) lists the core competencies that are the foundation of the knowledge that people need in order to pass the exams that make up part of their certification process. These include analyzing performance/training needs, designing training, instructing/facilitating, evaluating training, and coaching the application of training.

Note the many roles and responsibilities that trainers can have. Specialists such as instructional designers devote most of their time to analysis, development, or instructional roles. Individual development and career counsellors work individually with employees on development plans. In the research role, trainers may evaluate training programs and make recommendations for improving them. Training department managers devote considerable time to the strategic role. Training managers may also still be involved in development or instructional roles, but—because of their administrative and strategic responsibilities—to a smaller extent than specialists. Human resource or personnel managers may also be required to complete many of the training roles, although their primary responsibility is to oversee the human resources function of the company (e.g., staffing, recruiting, compensation, and benefits). This is further displayed by the fact that training and development is one of the eight required professional capabilities in which proficiency is required within the certified human resources professional designation.

**TABLE 1.5** Roles of Trainers

<b>Strategic adviser</b>	Consults with management on training and development issues that affect business strategy and goals
<b>Systems design and developer</b>	Assists management in design and development of systems that affect organizational performance
<b>Organization change agent</b>	Advises management on work system design and effective use of human resources
<b>Instructional designer</b>	Identifies learner needs; develops learning programs; prepares content and learning aids, lesson and program objectives, and delivery technology
<b>Individual development and career counsellor</b>	Assists employees in identifying their strengths and weaknesses and development goals
<b>Coach/performance consultant</b>	Advises management on ways to improve individual and group performance
<b>Researcher</b>	Evaluates training and development programs to determine their effectiveness; uses these evaluations to make recommendations to managers

Source: Based on P. McLagan, "Great Ideas Revisited," *Training Development* (January 1996): 60–65.

**TABLE 1.6** Median Salaries for Training Professionals

Top corporate organization development executive	\$149 100
Top corporate training executive	140 000
Management development manager	93 800
Organization development or training manager	92 700
Human resource manager	87 600
Training centre manager	80 800
Training manager	73 500
Performance consultant	72 800
Technical trainer	58 600
Instructional designer	56 800
Trainer	45 000

Source: Based on J. Vocino, "Annual Pay and Compensation," *TD* (January 2003): 44–49.

Expertise in the roles shown in Table 1.5 continues to be required today. Instructional systems design, adult learning theory, and classroom training are important skills for trainers and training departments. However, traditional narrow jobs in the training department focusing on one set of skills (e.g., instructional designer and technical writer) are changing as new skills are becoming more important. One of these skills is project management, combined with knowledge of new training technologies (e.g., web-delivered learning, CD-ROM, knowledge management systems), and the ability to manage managers, engineers, scientists, and others who may have more experience or technical savvy than the trainer. For example, at Hewlett-Packard (HP), new learning professionals need to be project managers.<sup>57</sup> They need to know how to create high-impact training solutions that business units in the company want to buy, and they have to do it in short time frames—about six months. Project managers need a solid background in instructional design and knowledge of new technologies that can be used to deliver training.

Hewlett-Packard recently launched "Web Shops," 90-minute web-delivered sessions that employees can participate in from around the globe. Web Shops include slide shows and presentations by HP experts, followed by online discussions among employees and subject-matter experts. HP also relies heavily on third-party vendors and design contractors for developing training programs. This means that trainers at HP make sure that vendors deliver the promised program on time (i.e., they manage vendors). Although HP continues to put more knowledge on the web and class time has been reduced, the company realizes that the time in the classroom needs to be well spent. Trainers need to be skilled facilitators who can lead executive discussions, simulations, case studies, and action learning sessions. These facilitation methods and skills are discussed further in Chapter 7, but for now it is important to know that these are training methods in which the trainee is very actively involved in the learning process. Trainers develop learning content and facilitate hands-on learning experiences. HP trainers are also able to work in global virtual teams that include members from different business functions and locations around the world. Personal interaction, reviews of training content, and project coordination occur through e-mail and the internet.

Table 1.6 shows median salaries for training professionals. Salaries for training and development professionals in Canada tend to range from \$30 000 for a starting position to over \$150 000 for senior positions. Note that very rarely does anyone hold the highest-paying jobs (training manager, personnel manager) without having developed competencies in a number of training roles.

## Who Provides Training?

In most companies, training and development activities are provided by trainers, managers, in-house consultants, and employee experts. However, as the snapshot of training practices suggests,

**outsourcing**

The acquisition of training and development activities from outside the company.

training and development activities are outsourced. **Outsourcing** means that training and development activities are provided by individuals outside the company. Training providers outside the company include universities, community and junior colleges, technical and vocational institutions, product suppliers, consultants and consulting firms, unions, trade and professional organizations, and government organizations. This subject area is explored further in Chapter 3.

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## Who Is In Charge of Training?

In small companies, training is the responsibility of the founder and all the employees. When organizations grow to 100 employees, typically someone within the company takes charge of human resources as part of their job or their sole responsibility. At this point, training becomes one of the responsibilities of the employee in charge of human resources. Training is one of several functions that human resource departments and professionals provide. Other functions include staffing (recruitment and selection), compensation, employee relations, health and safety, equal employment opportunities, and human resource planning.

In medium to large organizations, training can be the responsibility of human resource professionals or can come from a separate function known as human resource development or organizational development. **Human resource development** refers to the integrated use of training and development, organizational development, and career development to improve individual, group, and organizational effectiveness. Keep in mind that regardless of who is responsible, in order for training to be successful, employees, managers, training professionals, and top managers all have to take ownership of training! Throughout this book the point is made that although training may be a formal responsibility of someone's job, employees at all levels of the company play a role in the success of training.

As companies grow and/or recognize the important role of training for business success, they form an entire training function (how training functions can be organized is discussed in Chapter 2). The training function may include instructional designers, instructors, technical training, and experts in instructional technology.

The reporting relationship between human resource management and the training function varies across companies.<sup>58</sup> Some organizations include training as part of the human resources function, believing that this provides strategic partnerships with other business functions and consistent companywide training. Regardless of the organizational approach used for the training function, it must help meet the training needs of the business.

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## Preparing for a Career in Training and Development

Everyone is a trainer at some point in his or her life! Consider the last time you had to teach some skill to a peer, sibling, spouse, friend, or even your boss. Although some people learn to train by trial and error, the best way is to take courses in training and development, or even to choose an academic major related to training. For example, training and development courses are usually found in education, business and management, and psychology departments at colleges and universities. Business schools may offer certificates, diplomas, or undergraduate and graduate degrees in human resource management with courses in training and development and organizational development. Education departments may have undergraduate and graduate degrees in human resource development. Courses offered with such degrees include instructional design, curriculum development, adult learning, evaluation, and on-the-job training. Psychology departments offer courses in training and development as well. These courses can be part of a degree program in industrial and organizational psychology. If you are fortunate enough to be at a large university, you may have the opportunity to take courses from education, business/management, and the psychology departments that relate to training and development!

To be a successful training professional requires staying up-to-date on current research and training practices. The primary professional organization for persons interested in training and

**human resource development**

The integrated use of training and development, organizational development, and career development to improve individual, group, and organizational effectiveness.

development is the Canadian Society for Training and Development (CSTD). Various provincial human resource associations also offer links and information to current training practices, seminars, etc. The web addresses for these organizations are listed inside the front cover of this book. Individuals interested in a career in training and development may also choose to pursue their certified human resources professional (CHRP) designation. Articles about training practices can be found in the following journals: *Training*, *T&D*, *Workforce Management*, *HR Magazine*, *Academy of Management Executive*, and *Academy of Management Learning and Education*. Training and development research can be found in the following journals: *Human Resource Development Quarterly*, *Human Resource Development Review*, *Performance Improvement*, *Personnel Psychology*, *Journal of Applied Psychology*, *Academy of Management Journal*, and *Human Resource Management*.

## ■ ORGANIZATION OF THIS BOOK

What is training? Why is it important? What do training professionals do? How much training occurs in Canadian companies? Who is receiving training? This chapter answered these questions and offered a broad perspective of training.

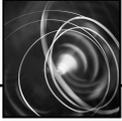
Chapter 2 discusses the strategic training and development process. Also, you will see how a company's business strategy influences training practices, explore the concept of a learning organization, and discuss various ways that companies can choose to organize their training departments.

The next chapters in the book address specific training issues. Chapters 3–8 address different aspects of the instructional system design model, the model used to guide the development and implementation of training (see Figure 1.1). Chapter 3 deals with learning theories and how adults learn. Chapter 4 details the needs assessment process, a critical first step in the instructional design process. Effective goal setting as it relates to training programs will be discussed. Chapter 5 addresses the transfer of training, that is, how to ensure that the training environment and the work setting are conducive to the use of knowledge and skills acquired in training. Methods to reflect on learning will be given. Chapter 6 explains how to evaluate a training program. Chapter 7 discusses facilitation versus training and details various training methods. Development of a lesson plan will be discussed. Chapter 8 examines e-learning and methods that have developed from applications of new technology, for example, web-based training, virtual reality, and intelligent tutoring systems.

Chapter 9 addresses the important issue of employee development; it discusses the manager's role and how development ties to performance management and succession planning. Chapter 10 deals with special topics in training and development including legal issues, cross-cultural training, diversity training, and planning for specialized training initiatives such as conferences and seminars. Chapter 11 discusses career management and orientation programs. Chapter 12 introduces topics surrounding the future of training and development, including virtual work arrangements, intellectual capital, and training and development from a change management perspective. Utilizing training as a key element of transition management will be discussed.

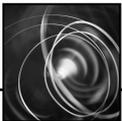
Students should be aware of several important features of the book. Each chapter begins with chapter objectives, which highlight what the student should learn from each chapter and preview the topics. Next comes an opening vignette—an example of a company practice related to the chapter topics. Company examples are liberally used throughout each chapter to help students see how theory and research in training are put into practice. Each chapter ends with key terms, discussion questions, and application assignments. Key terms are related to important concepts emphasized in the chapter. Discussion questions and application assignments can facilitate

learning through interacting with other students and actually trying to develop and conduct various training applications. Many application assignments require the use of the World Wide Web, a valuable source of information on training practices.



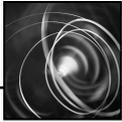
## KEY TERMS

change, 10	human resource development, 25	offshoring, 8
competitive advantage, 2	human resource management, 2	outsourcing, 25
competitiveness, 2	instructional system design (ISD), 5	Six Sigma process, 15
contingent workforce, 19	internet, 18	stakeholders, 3
continuous learning, 4	ISO 9000:2000, 15	total quality management (TQM), 13
cross-training, 20	knowledge workers, 9	training, 3
e-commerce, 18	learning organization, 10	training design process, 5
empowerment, 9	Malcolm Baldrige National Quality Award, 13	virtual teams, 20
high-leverage training, 3		work team, 19



## DISCUSSION QUESTIONS

1. Describe the forces affecting the workplace and learning. How can training help companies deal with these forces?
2. What steps are included in the training design model? What step do you think is most important? Why?
3. How has training contributed to Boston Pizza?
4. Based upon your most recent experience at a restaurant, what type of strategic training would you recommend to this company? Why?
5. Training professionals continue to debate whether the instructional system design (ISD) model is flawed. Some argue that ISD should be treated as a project management approach rather than a step-by-step recipe for building training programs. Others suggest that ISD is too linear and rigid a process, that it is the primary reason training is expensive, and that it takes too long to develop. ISD focuses on inputs; management wants outputs. Businesses want results, not the use of a design technology. Do you believe that ISD is a useful process? Why or why not? Are there certain circumstances under which it is a more (or less) effective way to design training?
6. Who is most responsible for training within an organization? Why?
7. How might technology influence the importance of training professionals' roles? Can technology reduce the importance of any of the roles? Can it result in additional roles?
8. Describe a situation in which you recently had to train someone. (It might have been showing them how to use a piece of equipment, how to use software, or how to perform a task.) How did it feel to be a trainer? How do you think the trainee felt about this experience? Why?
9. Describe the training courses that you have taken. How have they helped you? Provide recommendations for improving the courses.



## APPLICATION ASSIGNMENTS

1. Go to the Canadian Society for Training and Development (CSTD) homepage at [www.cstd.ca](http://www.cstd.ca). Investigate the links on the homepage and the various options on the left-hand menu bar. One choice on this menu listing is “Publications.” Find an article, summarize the main topic, and identify how it relates to course topics or topics covered in this text.
2. Go to [www.quality.nist.gov](http://www.quality.nist.gov), the website for the National Institute of Standards and Technology (NIST). The NIST oversees the Malcolm Baldrige Quality Award. Click on “Criteria for Performance Excellence.” Choose either “Business,” “Education,” or “Healthcare.” Download the award criteria. What questions are used to determine a company’s education, training, and development focus?
3. For many years, General Electric (GE) has been recognized as one of the world’s most admired companies. How have training and learning contributed to its success? Visit GE’s website at [www.ge.com](http://www.ge.com) and click on “Careers.” Review the links at the top of the page.
4. Go to the Hewitt Associates webpage at [http://was7.hewitt.com/bestemployers/canada/the\\_list\\_2007.htm](http://was7.hewitt.com/bestemployers/canada/the_list_2007.htm) and review the listing of the Best Employers in Canada, 2007. Do any of the companies surprise you, and if so, why? Are any companies not on the list that you thought would be there?
5. Conduct a phone or personal interview with a manager. Ask this person to describe the role that training plays in his or her company.
6. Conduct a phone or personal interview with a training manager. Ask this person to discuss how training has changed in the past five years and how he or she believes it will change in the future.
7. *Training* identified the Top 50 Training Organizations (see *Training*, March 2003). The top 10 ranked companies included:
  1. Pfizer
  2. IBM
  3. Sprint
  4. Dofasco
  5. KLA-Tencor
  6. Booz Allen Hamilton
  7. Ernst and Young LLP
  8. Deloitte and Touche LLP
  9. Ritz-Carlton Hotel
  10. AT&T Business Service

Choose one of these companies to research. Visit the company’s website, use a web search engine, or look for references to the company in publications such as *Training*, *T&D*, *Workforce*, or *HR Magazine*. Prepare a report (not to exceed three pages) based on your research (a) describing why you believe the company was ranked in the top 10 and (b) explaining the relationship between training and the company’s competitiveness and business goals and objectives. Your instructor will advise you on whether the report should be submitted electronically or on paper. (Hint: Possible reasons a company might be ranked include the amount of money it devotes to training, the level of employee involvement in training, and the type of training used.)

