

## ★ Learn It

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### training and development (T&D)

Heart of a continuous effort designed to improve employee competency and organizational performance.

### training

Activities designed to provide learners with the knowledge and skills needed for their present jobs.

### development

Learning that goes beyond today's job and has a more long-term focus.

### organization development (OD)

Planned and systematic attempts to change the organization, typically to a more behavioral environment.

No other human resources (HR) practice set is most squarely designed to develop a company's employees than training and development. **Training and development (T&D)** is the heart of a continuous effort designed to improve employee competency and organizational performance. There are many elements that fit within a T&D umbrella. The most common elements include training, career development, organizational development, and organizational learning. For the sake of organization, we can distinguish between these four elements based on two dimensions—focus on the individual employee or groups of employees and time frame, short and long term.

2. Time frames do not come with a set number of years. Short time frames are based on the specific learning objectives and expected time for employees to learn and apply those skills. Long time frames are based on the time frame a company sets to achieve its strategic objectives. Figure 8-1 shows the organization of T&D elements.

**Training** provides learners with the knowledge and skills needed for their present jobs. Showing a worker how to operate a lathe or a supervisor how to schedule daily production are examples of training. On the other hand, **development** involves learning that goes beyond today's job and has a more long-term focus. It prepares employees to keep pace with the organization as it changes and grows. We often associate development with the concept of careers and career development practices, which we discuss later in this chapter.

T&D activities have the potential to align a firm's employees with its corporate strategies. Some possible strategic benefits of T&D include employee satisfaction, improved morale, higher retention, lower turnover, improved hiring, a better bottom line, and the fact that satisfied employees produce satisfied customers. Individuals and groups receive the bulk of T&D effort. However, some firms believe that to achieve needed change, they must move the entire organization in a different direction. Efforts to achieve this are the focus of **organization development (OD)**.



**FIGURE 8-1**

Organization of Training and Development Elements

	<i>Short Term</i>	<i>Long Term</i>
<i>Groups / Organization</i>	Organizational Development	Organizational Learning
<i>Individuals</i>	Training	Career Management

**learning organization**  
Firm that recognizes the critical importance of continuous performance-related T&D and takes appropriate action.

Improved performance, the bottom-line purpose of T&D, is a strategic goal for organizations. Toward this end, many firms have become or are striving to become learning organizations. A **learning organization** is a firm that recognizes the critical importance of continuous performance-related T&D and takes appropriate action.

Our focus in this chapter is on training and development, careers, organizational development, and the learning organization.

**OBJECTIVE 8.1**

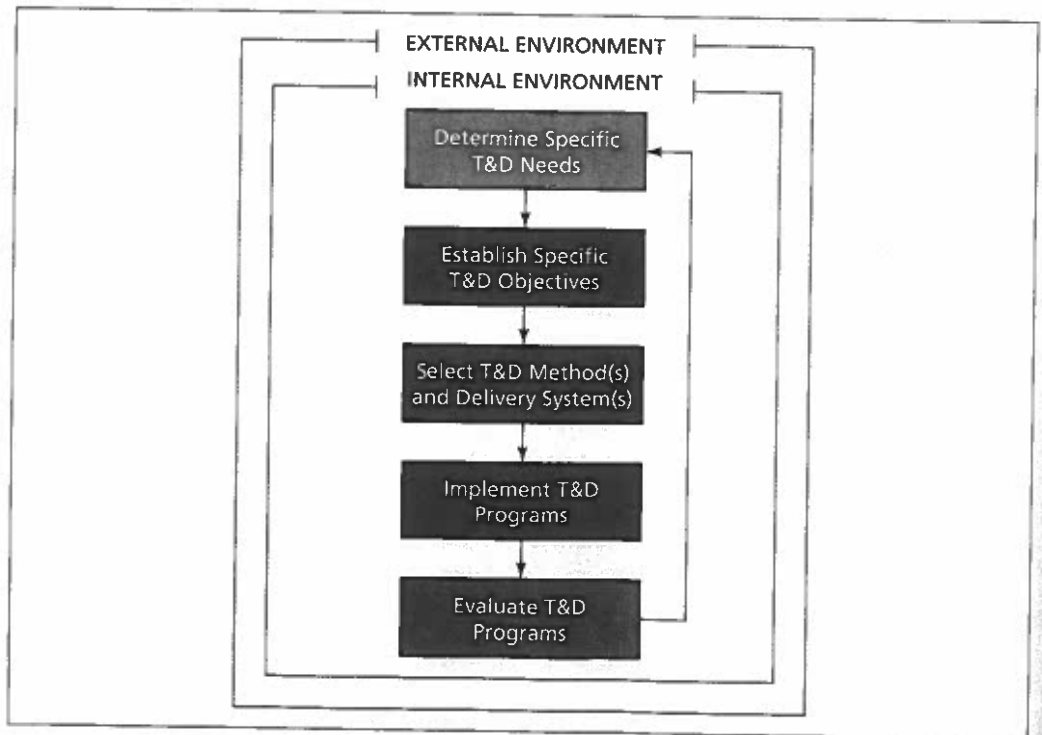
Summarize the training and development process

### Training and Development Process

Major adjustments in the external and internal environments necessitate corporate change. The general T&D process that anticipates or responds to change may be seen in Figure 8-2. First, an organization must determine its specific needs for training. As we will see, needs are considered at the levels of the organization, task, and persons. From that information, HR professionals judge whether training is essential, and if so, what the training should be, why training should be conducted, who should be trained, and where training should occur. Then specific objectives need to be established. The objectives might be quite narrow if limited to the supervisory ability of a manager, or they might be broad enough to include improving the management skills of all first-line supervisors. In exemplary organizations, there is a close link between the firm's strategic mission and the objectives of the T&D program. Review and periodic updating of these objectives is necessary to ensure that they support the changing strategic needs of the organization. After setting the T&D objectives, management can determine the appropriate methods and the delivery system to be used. Naturally, management must continuously evaluate T&D to ensure its value in achieving organizational objectives.

**FIGURE 8-2**

Training and Development Process



**OBJECTIVE 8.2**

Explain how to determine specific training and development needs and objectives.

### training and development needs assessment

Heart of a continuous effort designed to improve employee competency and organizational performance.

### organizational analysis

Training needs assessment activity, which focuses on the firm's strategic mission, goals, and corporate plans are studied, along with the results of strategic HR planning.

### task analysis

A training needs assessment activity, which focuses on the tasks required to achieve the firm's purposes.

### person analysis

A training needs assessment activity that focuses on finding answers to questions such as Who needs to be trained? What do they need to do differently from what they're doing today? What kind of knowledge, skills, and abilities (KSAs) do employees need?

## Determine Specific Training and Development Needs

The first step in the T&D process is to determine specific T&D needs. In today's highly competitive business environment, undertaking a program because other firms are doing it is asking for trouble. A systematic approach to addressing bona fide needs must be undertaken and must be done taking into consideration the mission of the organization.

A **training and development needs assessment** helps companies determine whether training is necessary. It may be determined by conducting analyses on three levels, which include organization, task, and person.

### Organizational Analysis

**Organizational analysis** focuses on the firm's strategic mission, goals and corporate plans are studied, along with the results of strategic human resource planning. Let's consider a brief example of T-Mobile to illustrate an organizational analysis. T-Mobile is a U.S.-based subsidiary of T-Mobile International AG and its headquarters are located in Bellevue, Washington. The company operates the fourth-largest wireless network in the United States behind Verizon Wireless, AT&T, and Sprint, and it provides wireless voice, messaging, and data services in the United States, Puerto Rico, and the U.S. Virgin Islands under the T-Mobile, MetroPCS, and GoSmart Mobile brands.

T-Mobile had a reputation of excellent customer service quality based on a variety of surveys, including JD Powers and Associates, but there was a dramatic drop in quality that was highly noticeable between 2010 and 2012 when talks of AT&T acquiring T-Mobile were public.<sup>1</sup> According to Sascha Segan, writer for *PC Magazine*, "T-Mobile's workforce was dejected and polishing their resumes...."<sup>2</sup> In addition, "The result was an apathetic, aimless carrier full of sad people who didn't think they'd have a job in a year." T-Mobile's CEO John Legere recognized the need to improve customer service quality to better address customer needs and to have consumers see the company differently.<sup>3</sup>

### Task Analysis

**Task analysis** focuses on the *tasks* required to achieve the firm's purposes. In this case, improving customer service quality is one of T-Mobile's goals. Job descriptions are important data sources for this analysis level, and it is logical that customer service employees who serve in the role of sales and those who serve in post-sales service are most relevant to the CEO's objective because they not only specify the tasks of these jobs, but also indicate the knowledge, skills, and abilities (KSAs) required to perform these jobs adequately. The following are some of the Customer Service Representative job tasks that are specified in the Occupational Information Network (O\*NET).<sup>4</sup>

- Confer with customers by telephone or in person to provide information about products or services, take or enter orders, cancel accounts, or obtain details of complaints.
- Check to ensure that appropriate changes were made to resolve customers' problems.
- Keep records of customer interactions or transactions, recording details of inquiries, complaints, or comments, as well as actions taken.
- Resolve customers' service or billing complaints by performing activities such as exchanging merchandise, refunding money, or adjusting bills.
- Refer unresolved customer grievances to designated departments for further investigation.
- Order tests that could determine the causes of product malfunctions.

These tasks can help HR professionals determine training content and how best to design training to impart knowledge and skills. In addition, specifying the tasks better enable HR professionals to select evaluation measures of training effectiveness, including learning of knowledge and skills to perform these jobs more effectively as well as indicators of job performance changes (hopefully, improvements) following the completion of training over time.

### Person Analysis

**Person analysis** focuses on obtaining answers to the questions: Who needs to be trained? What do they need to do differently from what they're doing today? and What kind of KSAs do employees need?

Specifying the KSAs necessary for task performance is essential information that will help in the selection of training methods. For example, a simple classroom lecture could be an effective vehicle for imparting basic knowledge about customer service principles and product knowledge. Role plays could be an effective approach to having trainees demonstrate whether they have learned basic knowledge and can effectively combine knowledge with skills to effectively complete customer service representative tasks. Among many, O\*NET lists the following most important KSAs, respectively, to the customer service representative job.<sup>5</sup>

*Customer and Personal Service*—Knowledge of principles and processes for providing customer and personal services. This includes customer needs assessment, meeting quality standards for services, and evaluation of customer satisfaction.

*Active Listening*—Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.

*Oral Comprehension*—The ability to listen to and understand information and ideas presented through spoken words and sentences.

Performance appraisals and interviews or surveys of supervisors and job incumbents are helpful at this level. Also industry surveys of customer service quality, as discussed previously about T-Mobile, are a useful source of information.

### Establish Training and Development Program Objectives

T&D must have clear and concise objectives and be developed to achieve organizational goals. Without them, designing meaningful T&D programs would not be possible. Worthwhile evaluation of a program's effectiveness would also be difficult, at best. As we discussed in the previous section, T-Mobile might pursue customer service training to improve its standing in customer service quality among its major competitors. Consider these purposes and objectives for a training program involving employment compliance:

## TRAINING AREA: EMPLOYMENT COMPLIANCE

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**Purpose:** To provide the supervisor with

1. Knowledge and value of consistent human resource practices
2. The intent of Equal Employment Opportunity Commission (EEOC) legal requirements
3. The skills to apply them

**Objectives:** To be able to

1. Cite the supervisory areas affected by employment laws on discrimination
  2. Identify acceptable and unacceptable actions
  3. State how to get help on EEOC matters
  4. Describe why we have disciplinary action and grievance procedures
  5. Describe our disciplinary action and grievance procedures, including who is covered
- 

As you see, the *purpose* is established first. The specific *learning objectives* that follow leave little doubt about what the training should accomplish. With these objectives, managers can determine whether training has been effective. For instance, in the example, a trainee either can or cannot state how to get help on equal employment opportunity matters.

### OBJECTIVE 8.3

Summarize various training methods.

## Training Methods

When a person is working in a garden, some tools are more helpful in performing certain tasks than others. The same logic applies when considering T&D methods, and these methods are changing continuously and improving. Regardless of whether programs are in-house or outsourced, firms use a number of methods for imparting knowledge and skills to the workforce

and usually more than one method, called *blended training*, is used to deliver T&D. As part of the blended training process, mobile learning is enhancing or replacing some traditional training methods. T&D methods are discussed next. Each of these training methods should be evaluated and selected for what it does best.

### Classroom Method

The classroom method, in which the instructor physically stands in front of students, continues to be effective for many types of training. One advantage of instructor-led training is that the instructor may convey a great deal of information in a relatively short time. The effectiveness of instructor-led programs improves when groups are small enough to permit discussion, and when the instructor is able to capture the imagination of the class and use new technology to provide a better classroom learning experience. Also, the charisma or personality that the instructor brings to class may excite the students to want to learn. The classroom setting allows for real-time discussion that is not easily replicated, even with the most advanced technology.

### E-Learning

The tradition of instructors physically lecturing in front of live corporate students has diminished somewhat in recent years. **E-learning** is the T&D method for online instruction using technology-based methods such as DVDs, company intranets, and the Internet.

The Internet offers many opportunities for learning. For example, companies such as Coursera, Udacity partner with universities to offer *massive open online courses (MOOCs)* that enable thousands of students who are located anywhere in the world at any time of the day to take university-level courses. Initially, the audience for MOOCs was mainly college-level students. Increasingly, companies are adopting MOOCs as an e-learning tool. Partnering with highly recognized universities that offer MOOCs could increase the value of training in a variety of ways, including through learning leading-edge information and techniques from world-famous professors and assessments by current and prospective clients that training is state-of-the-art. "There's a lot of potential for how MOOCs can be used for corporate training and development," said Julia Stiglitz, head of business development and strategic partnerships for Coursera, which also partners with universities such as Stanford and UC Berkeley to offer online college courses.<sup>6</sup> "The companies are looking for new ways to train their employees and get them up to speed on skills that may not have been relevant five years ago."

The benefits of e-learning are numerous and include decreased costs, greater convenience and flexibility, improved retention rates, and a positive environmental impact.<sup>7</sup> It can be self-paced, can often be individualized, and can be done while at work or off-shift. A concept can be viewed as often as needed. Individuals using e-learning can be working on different parts of a program, at varying speeds, and in different languages.

Luxottica is an Italian eyewear and optical company whose chain stores include LensCrafters, Pearle Vision, and Sunglass Hut, with 38,000 employees worldwide. Angi Willis, Luxottica's learning technology project manager said, "We just didn't have the manpower, technology or budget to efficiently and effectively manage and execute our various training programs." Luxottica put training online so employees could have instant access to information they needed to do their jobs, including details on new products and regulations as well as continuing education.<sup>8</sup>

The advantages of using e-learning are numerous; however, the biggest advantage is cost savings. According to Gordon Johnson, vice-president of marketing for infrastructure provider Expertus, "Online meetings are one-third the cost of face-to-face meetings, so the question becomes not which is best, but whether face-to-face training is three times better. Usually not."<sup>9</sup>

For Union Pacific, the largest railroad company in North America, both distance and time have been hurdles to learning. About 19,000 of its 48,000 widely disbursed employees work on the railroad's locomotives and freight cars, many on different schedules. So the company uses a blend of traditional learning and e-learning that provides the kind of training far-flung employees require, at a time when they can use it.

Firms that consistently have a high turnover rate have turned to e-learning because classroom learning is not cost-effective. Nike faced a challenge that a number of retailers today are confronting. Nike designed an online training program that the company could offer to employees in its own stores as well as at other retailers that sell Nike products. The program conveys a

#### e-learning

The T&D method for online instruction using technology-based methods such as the DVDs, company intranets, and the Internet.

lot of information quickly, but it is also easy to learn. This is important because the training is directed at 16- to 22-year-olds.<sup>10</sup>

A takeoff on e-learning is the *live virtual classroom*, often referred to as *virtual instructor led*, that uses a Web-based platform to deliver live, instructor-led training to geographically dispersed learners. Organizations can bring together entire teams for just an hour or two per week. They can also bring content specialists into the classroom for only the necessary time required from two minutes to two hours. Virtual instructor led training is ideal for organizations that have many technicians needing frequent training while they continue to do their job in the field.<sup>11</sup> The need to have large blocks of time that takes workers away from their jobs is thus eliminated. Training can now be provided in blocks of time as opposed to several days. For example, a two-day live training session might be provided in five 75-minute modules delivered over time. These provide both cost savings and convenience.<sup>12</sup>

### Case Study

#### case study

T&D method in which trainees are expected to study the information provided in the case and make decisions based on it.

The **case study** is a T&D method in which trainees study the information provided in the case and make decisions based on it. The goal of the case study method is to provide trainees with the opportunity to sharpen critical thinking skills. Often, the case study method occurs with an instructor who serves as a facilitator. It is also quite common for trainees to analyze the case in teams because problem solving typically involves consultation with others.

If an actual company is involved, the student would be expected to research the firm to gain a better appreciation of its financial condition and environment. Research on companies has been significantly enhanced through the availability of case studies of a variety of business functions. There are many sources of business case studies, including Harvard Business School Publishing.

### Behavior Modeling and Tweeting

#### behavior modeling

T&D method that permits a person to learn by copying or replicating behaviors of others to show managers how to handle various situations.

**Behavior modeling** is a T&D method that permits a person to learn by copying or replicating behaviors of others. Behavior modeling has been used to train supervisors in such tasks as conducting performance reviews, correcting unacceptable performance, delegating work, improving safety habits, handling discrimination complaints, overcoming resistance to change, orienting new employees, and mediating individuals or groups in conflict.

Social networking, such as Twitter, has been used as a learning tool involving behavior modeling. "In a corporation, micro-blogging can be a way to augment behavior modeling," says Sarah Millstein, author of the *O'Reilly Radar Report*. This works by having a person who excels at a task send out frequent updates about what he or she is doing. The company might even formalize the process to the extent that it would select exemplary performers to post on a regular basis and determine those employees who should follow their posts.<sup>13</sup>

### Role-Playing

#### role-playing

T&D method in which participants are required to respond to specific problems they may encounter in their jobs by acting out real-world situations.

**Role-playing** is a T&D method in which participants are required to respond to specific problems they may encounter in their jobs by acting out real-world situations. Rather than hearing an instructor talk about how to handle a problem or by discussing it, they learn by doing. Role-playing is often used to teach such skills as administering disciplinary action, interviewing, grievance handling, conducting performance appraisal reviews, team problem solving, effective communication, and leadership-style analysis. A successful role-playing activity occurs if the activity actually mirrors real-life situations. It has also been used successfully to teach workers how to deal with individuals who are angry, irate, or out of control. Some restaurant chains use role-playing to train servers how to deal with difficult situations such as a couple having an argument at the dinner table. The classic case of using role-playing is when a manager must take disciplinary action against a worker for something they did improperly. Managers never know how an employee will react when being reprimanded. When acting out the role of the worker, he or she may randomly choose from a variety of roles such as being stoic, starting to cry, promising never to do it again, or take this job and shove it.

### Training Games

Games can be quite useful learning tools to aid in the group dynamic process. Games are a cost-effective means to encourage learner involvement and stimulate interest in the topic, thereby enhancing employees' knowledge and performance.<sup>14</sup> According to Elizabeth Treher, founder,

president, and CEO of The Learning Key Inc., “Team-based business games result in better knowledge retention, provide focused, memorable learning and a more enjoyable learning atmosphere than traditional methods.”<sup>15</sup> A major benefit of games is that learners retain 75 percent of the knowledge they acquire when playing games, according to research by the National Training Laboratories. McDonald’s in Japan estimates new employee training time to prepare burgers has been cut in half as a result of a video game created in conjunction with Nintendo.<sup>16</sup> Microsoft Xbox support agents use the Xbox Customer Care Framework (CCF) Assessment simulator training game. The game simulates real-life circumstances caused by generating the stress and anxiety of receiving difficult customer relations calls.<sup>17</sup> Even the U.S. Marine Corps uses a game-based training program called Mission Impact, which places learners in a simulated battalion to improve their environmental performance.

**Business games** are a T&D method that permits participants to assume roles such as president, controller, or marketing vice president of two or more similar hypothetical organizations and compete against each other by manipulating selected factors in a particular business situation. Participants make decisions affecting such factors as price levels, production volumes, and inventory levels. Typically, a computer program manipulates their decisions, with the results simulating those of an actual business situation. Participants are able to see how their decisions affect other groups and vice versa. The best thing about this type of learning is that if a poor decision costs the company \$1 million, no one gets fired, yet the business lesson is learned.

### In-Basket Training

**In-basket training** is a T&D method in which the participant is asked to establish priorities for and then handle a number of business papers, e-mails, texts, memoranda, reports, and telephone messages that would typically cross a manager’s desk. The messages, presented in no particular order, call for anything from urgent action to routine handling. The participant is required to act on the information contained in these messages. In this method, the trainee assigns a priority to each particular situation before making any decisions. This form of training has been quite beneficial to help predict performance success in management jobs. Assessment centers commonly make use of this method in the selection process.

### On-the-Job Training

**On-the-job-training (OJT)** is an informal T&D method that permits an employee to learn job tasks by actually performing them. Often OJT will also have a significant impact on personal development. The key to this training is to transfer knowledge from a highly skilled and experienced worker to a new employee, while maintaining the productivity of both workers. OJT is used to pass on critical “how to” information to the trainee. Individuals may also be more highly motivated to learn because it is clear to them that they are acquiring the knowledge needed to perform the job. At times, however, the trainee may feel so much pressure to produce that learning is negatively affected. Firms should be selective about who provides OJT. Regardless of who does the training, that person must have a good work ethic and correctly model the desired behavior.

### Apprenticeship Training

**Apprenticeship training** is a training method that combines classroom instruction with OJT. While in training, the employee earns less than the master craftsman, who is the instructor. The National Association of Manufacturers projects that by 2020 some 10 million skilled workers will be needed and apprenticeships remain one of the most vital sources for securing skilled labor.<sup>18</sup> Such training is common with craft jobs, such as those of plumber, carpenter, machinist, welder, fabricator, laser operator, electrician, and press brake operator. As baby boomers continue to leave the workforce, they must be replaced by competent operators, and apprenticeship programs provide an effective way of accomplishing this. Many organizations are partnering with high schools, vocational schools, and universities as they search for new skilled workers. Organizations often donate look-alike equipment to the schools so students can be trained on the system.

The U.S. Department of Labor has implemented new regulations governing apprenticeships. Historically apprenticeships were defined by the amount of instruction time—typically 10,000 hours over four years. The new regulations offer provisions for competency-based apprenticeships, electronic and distance training, and the issuance of interim credentials. These credentials

#### business games

T&D method that permits participants to assume roles such as president, controller, or marketing vice-president of two or more similar hypothetical organizations and compete against each other by manipulating selected factors in a particular business situation.

#### in-basket training

T&D method in which the participant is asked to establish priorities for and then handle a number of business papers, e-mail messages, memoranda, reports, and telephone messages that would typically cross a manager’s desk.

#### on-the-job training (OJT)

An informal T&D method that permits an employee to learn job tasks by actually performing them.

#### apprenticeship training

Training method that combines classroom instruction with on-the-job training.

can be used toward college credits. "It's nice because a person isn't waiting until the end of the program to get some kind of reward," says Steve Mandes, executive director at National Institute for Metalworking Skills (NIMS).<sup>19</sup>

### Team Training

**Team training** focuses on imparting knowledge and skills on individuals who are expected to work collectively toward meeting a common objective. For example, many automobile manufacturers organize teams to focus on the completion of car assembly. One such team installs the interior components, including dashboard, seats, carpeting, headliner, and trim. Many individuals work together to complete these tasks in an ordered sequence within a designated period of time to ensure that the factory meets its daily production quota. Other examples include teams of sales representatives and post-sales representatives to ensure that the customer receives a product configuration that meets its business needs and has subsequent support to ensure that employees of the client firm are able to properly use the product, such as inventory software.

The nature of the work and business needs determines whether coordination training or cross-training is necessary. **Team coordination training** educates team members how to orchestrate the work that they do to complete the task such as in the previous examples. All team training initiatives involve information sharing and procedures for ensuring that the work is conducted in proper order. For example, in the automobile assembly example, team members must ensure that all of the electrical wires that run across the floor are properly connected to their appropriate components (such as power window motors) before door trim is installed.

The success of team coordination training can mean the difference between life and death. The U.S. Coast Guard (USCG) regularly conducts a program for its rescue and recovery mission teams, which it calls Team Coordination Training (TCT).

*Team Coordination Training (TCT) is a program that focuses on reducing the probability for human error by increasing individual and team effectiveness. Safety has long been the Commanding Officer's responsibility and, until recently, was assumed to be the logical result of finely tuned technical skills. USCG mishap data suggests that while technical skills are an essential component of any job, they alone will not ensure safety.*<sup>20</sup>

**Cross-training** educates team members about the other members' jobs so that they may perform them when a team member is absent, is assigned to another job in the company, or has left the company altogether. Ideally, effective cross-training initiatives will raise flexibility, communication, morale, and interdepartmental relations. Cross-training is also prevalent in a variety of employment settings because pressures to manage labor costs have often led to fewer employees who are hired to perform the same job. Restaurants are a common setting where cross-training is important. For example, it may be necessary for a server to step in to assist the kitchen staff prepare meals when one or more kitchen staff members is absent.

## Training and Development Delivery Systems

The previous section focused on the various T&D methods available to organizations, and the list is constantly changing. In this section, our attention is devoted to how training may be delivered to participants.

### Corporate Universities

A T&D delivery system provided under the umbrella of the organization is referred to as a **corporate university**. The corporate T&D institution's focus is on creating organizational change that involves areas such as company training, employee development, and adult learning. It aims to achieve its goals by conducting activities that foster individual and organizational learning and knowledge. It is proactive and strategic rather than reactive and tactical and can be closely aligned to corporate goals. Even though they are called universities, they are not so in the straightest sense because degrees in specific subjects are not granted. General Electric (GE) has its Crotonville campus and McDonald's has its Hamburger University. Intel University in Arizona administers programs developed by training groups located worldwide. The university also teaches nontechnical skills such as dealing with conflict and harassment avoidance.

#### team training

Training focused on teaching knowledge and skills to individuals who are expected to work collectively toward meeting a common objective.

#### team coordination training

Team training focused on educating team members how to orchestrate the individual work that they do to complete the task.

#### cross-training

Type of training for educating team members about the other members' jobs so that they may perform them when a team member is absent, is assigned to another job in the company, or has left the company altogether.

### OBJECTIVE 8.4

Describe alternative training and development delivery systems.

#### corporate university

T&D delivery system provided under the umbrella of the organization.

Recent years have seen the decline of corporate universities as companies such as Xerox, Andersen, Ford, Pfizer, Aetna, and Merrill Lynch moved away from them largely because of the significant overhead costs associated with maintaining learning facilities and dedicated staff. However, in New York City, North Shore-Long Island Jewish Health System's corporate university serves 42,000 employees across 15 hospitals.<sup>21</sup> Deloitte LLP has recently built a \$300 million corporate university in Westlake, Texas. Its 750,000 square feet will house state-of-the-art learning technology, 800 sleeping rooms, and even a ballroom. Marc Rosenberg, a learning consultant, says, "There's only so much you can do with social networking on the Internet, especially in services firms where you rely so much on your colleagues for help."<sup>22</sup> Also, firms are better able to control the quality of training and to ensure that all employees receive the same messages.

### Colleges and Universities

For decades, colleges and universities have been the primary delivery system for training professional, technical, and management employees. Many public and private colleges and universities are taking similar approaches to training and education as have the corporate universities. Corporate T&D programs often partner with colleges and universities or other organizations, such as the American Management Association, to deliver both training and development. As we discussed, the advent of MOOCs has created greater opportunities for partnerships between educational institutions and companies.

### Community Colleges

Community colleges are publicly funded higher education establishments that deliver vocational training and associate degree programs. Also, labor unions partner with some community colleges to sponsor formal courses as part of apprenticeship programs in the skilled trades such as carpentry and plumbing. For example, a course on electrical wiring principles and practices would be found in the curriculum for apprentices preparing to become master electricians. Some employers have discovered that community colleges can provide certain types of training better and more cost effectively than the company can. Rapid technological changes and corporate restructuring have created a new demand by industry for community college training resources.

### Online Higher Education

A form of online e-learning that has increased substantially in recent years is the use of online higher education. **Online higher education** is defined as formal educational opportunities including degree and training programs that are delivered, either entirely or partially, via the Internet. One reason for the growth of online higher education is that it allows employees to attend class at lunchtime, during the day, or in the evening. It also saves employees time because it reduces their need to commute to school. It increases the range of learning opportunities for employees and increases employee satisfaction. Another point that needs to be made is that skepticism regarding the quality of online degrees appears to be fading. John Challenger, chief executive of outplacement firm Challenger, Gray & Christmas, agrees. "We did once have a clear line between online and brick-and-mortar degrees, but that's changing," he says. "Hiring managers are catching up."<sup>23</sup>

Enrollment in online universities continues to grow. The University of Phoenix has the largest student body in North America. The university has more than 200 campuses worldwide and confers degrees in more than 100 degree programs at the bachelor's, master's, and doctoral levels. Clemson University's Master of Human Resource Development is a fully online course designed for in-career practitioners. The 36-credit program follows a cohort structure, with approximately 40 students in each unit. Class sessions are offered several times a week, to allow for an average of 10 students in each class. Students are assigned a "home group" within the cohort, but can choose another class to attend when work-life demands such as schedule conflicts or travel arise.<sup>24</sup>

In recent years, programs have been introduced that provide students with more and more autonomy and control of their programs of study. There are basically three categories of online higher education programs available: hybrid, synchronous, and asynchronous. *Hybrid programs* permit students to take some classes online and some in a traditional university setting. *Online synchronized study* offers students the choice of studying through an online portal system; however,

**online higher education**  
Educational opportunities including degree and training programs that are delivered, either entirely or partially, via the Internet.

the student is expected to appear for most classes on a real-time schedule. With this approach, students interact with a real professor and obtain real-time support for the learning material. With *asynchronous learning*, students have a series of assignments that need to be completed in a certain time frame. A system is available that allows students to communicate with the professor and classmates. Marianne Mondy, a legislative auditor for Louisiana, received her MBA through the University of Phoenix. She was given the option of totally completing her MBA online or to do a portion of her work on campus. She chose the online option because of her work schedule. All courses were six weeks in length and each assignment had to be completed in a fixed time frame. Online higher education is not for everyone and the key to success is discipline. Jeff Seaman of Babson Survey Research Group, which studies online education, said, "You need discipline. Otherwise, the 'anytime, anywhere' aspect frees you to put off the work."<sup>25</sup>

### Vestibule System

**Vestibule system** is a T&D delivery system that takes place away from the production area on equipment that closely resembles equipment actually used on the job. For example, a group of lathes may be located in a training center where the trainees receive instruction in their use. A primary advantage of the vestibule system is that it removes the employee from the pressure of having to produce while learning. The emphasis is focused on learning the skills required by the job.

### Video Media

The use of video media such as DVDs continues to be a popular T&D delivery system. These media are especially appealing to small businesses that cannot afford more expensive training methods and are often incorporated in e-learning and instructor-led instruction. In addition, they provide the flexibility desired by any firm. Behavior modeling, previously mentioned, has long been a successful training method that uses video media.

### Simulators

**Simulators** are a T&D delivery system comprised of devices or programs that replicate actual job demands. The devices range from simple paper mock-ups of mechanical devices to computerized simulations of total environments. T&D specialists may use simulated sales counters, automobiles, and airplanes. A prime example is the use of simulators to train pilots. Simulated crashes do not cost lives or deplete the firm's fleet of jets. John Deere uses an Excavator Training Simulator to train new operators in a risk-free environment. The simulator provides specific realistic lessons on proper operator techniques, machine controls, and safe operation at a virtual job site.<sup>26</sup> Crane operator trainees use a software simulator based on actual crane functions. Trainees sit in an authentic crane cab, with real control options while the simulation offers a realistic experience.<sup>27</sup>

### Social Networking

Today's employees interact, learn, and work in much different ways and styles than in the not-so-distant past. Increasingly mobile and geographically dispersed workforces are becoming the norm. At the same time, dwindling or stagnant travel budgets are creating a need for different training methods. As a result, some organizations are using social networking and collaborative tools to enable informal learning. In a recent study, 55 percent of respondents also expect an increase in informal learning usage, which includes social media, blogs, wikis, and discussion groups.<sup>28</sup> Informal learning often takes place outside the corporate training departments. It does not necessarily follow a specified curriculum and often begins accidentally. It is experienced directly in the course of everyday life or work. By embracing informal learning, learners may be more motivated to gain knowledge. Thus, informal learning has surfaced as an important part of employee development.

The premise behind the educational success of social networking is the learning approach referred to as *constructivism*. A constructivist learning environment differs from the traditional model. In this setting, the teacher guides the learner toward multiple learning sources, rather than acting as the sole source of knowledge.<sup>29</sup> With more workers around the world using social media, they are getting and trusting information from their peer group more than in the past.<sup>30</sup> Often organizations are using communication meetings called huddles, which are usually called daily for a short period of time such as seven minutes, as informal learning opportunities.<sup>31</sup> Many believe that using shared, social learning solutions will grow.

#### vestibule system

T&D delivery system that takes place away from the production area on equipment that closely resembles equipment actually used on the job.

#### simulators

T&D delivery system comprised of devices or programs that replicate actual job demands.

**OBJECTIVE 8.5**

Summarize training and development implementation issues.

## Implementing Training and Development Programs

A perfectly conceived training program will fail if management cannot convince the participants of its merits. Participants must believe that the program has value and will help them achieve their personal and professional goals. A long string of successful programs certainly enhances the credibility of T&D.

Implementing T&D programs is often difficult. One reason is that managers are typically action-oriented and feel that they are too busy for T&D. According to one management development executive, "Most busy executives are too involved chopping down the proverbial tree to stop for the purpose of sharpening their axes." Another difficulty in program implementation is that qualified trainers must be available. In addition to possessing communication skills, the trainers must know the company's philosophy, its objectives, its formal and informal organization, and the goals of the training program. T&D requires more creativity than perhaps any other human resource function.

Implementing training programs presents unique problems. Training implies change, which employees may vigorously resist. It may also be difficult to schedule the training around present work requirements. Unless the employee is new to the firm, he or she undoubtedly has specific full-time duties to perform. Another difficulty in implementing T&D programs is record keeping. It is important to maintain training records, including how well employees perform during training and later on the job. This information helps measure program effectiveness and chart the employees' progress in the company.

**OBJECTIVE 8.6**

Explain the metrics for evaluating training and development.

## Metrics for Evaluating Training and Development

Managers should strive to develop and use T&D metrics because such information can smooth the way to budget approval and executive buy-in. Most managers agree that training does not cost, it pays, and that training is an investment, not an expense. However, the actual value of the training must be determined if top management will be ready to invest in it.

The traditional framework for evaluation of training is based on four criteria.<sup>32</sup> Although this framework was developed decades ago, HR professionals often rely on it to organize evaluation efforts.

### Reactions

The first criterion, **trainee reactions**, refers to the extent to which trainees liked the training program related to its usefulness, and quality of conduct. Trainee reactions, when assessed, are measured on completion of the training session by survey. The survey questions can be specific or general ("how satisfied were you with the presentation of sales skill strategies?" versus "how satisfied were you with the overall training program?"). This information may help training designers pinpoint potential problem aspects of the training as well as possible reasons for the shortcomings.

Evaluating a T&D program by asking the participants' opinions of it is an approach that provides a response and suggestions for improvements, essentially a level of customer satisfaction. You cannot always rely on such responses, however. The training may have taken place in an exotic location with time for golfing and other fun activities, and the overall experience may bias some reports. Nevertheless, this approach is a good way to obtain feedback and to get it quickly and inexpensively.

### Learning

The second criterion, **learning**, refers to the extent to which principles, facts, and techniques were understood and retained in memory by the employee. As with trainee reactions, learning is often assessed on completion of the training program (and sometimes, throughout the training course) by the appropriate tests (typing speed or recall of concepts from memory). Both evaluation criteria are important because positive trainee reactions and learning are expected to lead to more job-related and concrete ways of assessing training.

Some organizations administer tests to determine what the participants in a T&D program have learned. The pretest–posttest control group design is one evaluation procedure that may be used. In this procedure, both groups receive the same test before and after training. The

#### reactions

Training evaluation criterion focused on the extent to which trainees liked the training program related to its usefulness, and quality of conduct.

#### learning

The extent to which an employee understands and retains principles, facts, and techniques.

**behavior change**

Change in job-related behaviors or performance that can be attributed to training.

**transfer of training**

Training evaluation method focusing on the extent to which an employee generalizes knowledge and skill learned in training to the work place, as well as maintains the level of skill proficiency or knowledge learned in training.

**organizational results**

Typically, training outcomes such as enhanced productivity, lower costs, and higher product or service quality.

**HR Web Wisdom****Benchmarking**

<http://www.benchnet.com>

The Benchmarking Exchange and Best Practices homepage is provided

**benchmarking**

Process of monitoring and measuring a firm's internal processes, such as operations, and then comparing the data with information from companies that excel in those areas.

experimental group receives the training but the control group does not. Each group receives randomly assigned trainees. Differences in pretest and posttest results between the groups are attributed to the training provided. A potential problem with this approach is controlling for variables other than training that might affect the outcome.

**Behavior**

The third criterion, **behavior change**, refers to the changes in job-related behaviors or performance that can be attributed to training. Specifically, this criterion assesses transfer of training. **Transfer of training** refers to the extent to which an employee generalizes knowledge and skill learned in training to the work place, as well as maintains the level of skill proficiency or knowledge learned in training. An example of generalization may be the application of principles for dealing effectively with "difficult" individuals in a training setting to dealing diplomatically with irate customers, or managing a highly competitive coworker in the work place. An example of skill maintenance is whether a typing speed of 90 words per minute demonstrated during training is sustained over time when the employee is back on the job.

Tests may accurately indicate what trainees learn, but they give little insight into whether the training leads participants to change their behavior. For example, it is one thing for a manager to learn about motivational techniques but quite another matter for this person to apply the new knowledge. A manager may sit in the front row of a training session dealing with empowerment of subordinates, absorb every bit of the message, understand it totally, make a grade of 100 on a test on the material, and then return the next week to the workplace and continue behaving in the same old autocratic way. The best demonstration of value occurs when learning translates into lasting behavioral change. Michael Allen, winner of the Distinguished Contribution to Workplace Learning and Performance Award, said, "We don't care about what people know. We care about what they can do ... with what they know. Our challenge, as effective instructional designers, is to get people to make the leap from knowing to doing and that's where we often fail."<sup>33</sup>

**Organizational Results**

The fourth criterion, results, refers to the extent to which tangible outcomes that can be attributed to training are realized by the organization. **Organizational results** refer to such outcomes as enhanced productivity, lower costs, and higher product or service quality. Results in the context of training indicate whether (and how well or poorly) an organization has attained competitive advantage. Likewise, assessment of results over time can inform whether (and how well or poorly) competitive advantage has been sustained over time. Whereas much research on trainee reactions, learning, and behavior has amassed over the last several decades, relatively few gains have been made for results.

Here metrics address the business's bottom line, such as productivity data, rather than numbers of training sessions completed or the satisfaction employees gained from a training session. For instance, if the objective of an accident-prevention program is to reduce the number and severity of accidents by 15 percent, comparing accident rates before and after training provides a useful metric of success. Leslie Joyce, vice-president of global talent management at Novelis and former CLO at Home Depot, said, "If there is change in behavior or improvement in performance, most CEOs I've worked with will agree that training has had an impact."<sup>34</sup>

Return on investment (ROI) is an important results criterion. CEOs want to see training in terms that they can appreciate such as business impact, business alignment, and ROI, that is, the extent to which benefits of training outweigh the costs to provide it. However, a recent study from the ROI Institute showed that although 96 percent of executives want to see the business effects of learning, only 8 percent receive it.<sup>35</sup> Nevertheless, in today's global competitive environment, training will not be rewarded with continued investment unless training results in improved performance that impacts the bottom line. Today, organizations can only justify investing in training that is clearly essential to business success and that actually delivers results that enable the company to compete effectively.

**Benchmarking** is the process of monitoring and measuring a firm's internal processes, such as operations, and then comparing the data with information from companies that excel in those areas. Because training programs for different firms are unique, the training measures are necessarily broad. Common benchmarking questions focus on metrics such as training costs, the ratio of training staff to employees, and whether new or more traditional delivery systems are used. Information

derived from these questions probably lacks the detail to permit specific improvements of the training curricula. However, a firm may recognize, for example, that another organization is able to deliver a lot of training for relatively little cost. This information could then trigger the firm to follow up with interviews or site visits to determine whether that phenomenon represents a “best practice.”

Quality standards are another important results measure. A well-recognized standard is the ISO 9001 quality assurance standard, which states: “Employees should receive the training and have the knowledge necessary to do their jobs.” To comply with the standard, companies must maintain written records of their employee training to show that employees have been properly trained. Think of possible questions that a compliance auditor might ask when auditing a firm. Some might be “How does your firm assess the need for the types and amounts of training and education received by all categories of employees? What percentage of employees receives training annually? What is the average number of hours of training and education per employee?” Under ISO 9001, monitoring the quality of training is important.

We have considered a variety of training methods, delivery systems, and training evaluation criteria. Careful planning and orchestration of these methods and systems is essential to achieving effective training. The Watch It video describes Wilson Learning’s approach and philosophy.

### Watch It I

If your professor has assigned this, sign into [mymangementlab.com](http://mymangementlab.com) to watch a video titled *Wilson Learning: Training and to respond to questions*.

#### OBJECTIVE 8.7

Describe factors that influence training and development.



#### HR Web Wisdom

*American Society for Training and Development*  
<http://www.astd.org>

The homepage for the American Society for Training and Development is presented.

## Factors Influencing Training and Development

There are numerous factors that both impact and are impacted by T&D.

### Top Management Support

For T&D programs to be successful, top management support is required; without it, a T&D program will not succeed. The most effective way to achieve success is for executives to provide the needed resources to support the T&D effort. The comments by Carol Freeland, principal/owner of ACTS+ in Hot Springs Village, Arizona, best described the importance of support from the CEO when she said, “If the CEO does not believe in the inherent value of training, any training effort on the part of the company will be fruitless and languish.”<sup>36</sup>

The recession saw many training budgets suffer as executives looked for ways to reduce costs. By 2011 firms had started to boost the size of their training staffs.<sup>37</sup> However, even as the economy improved, training professionals were having to do more with less. As Karen O’Lonard, principal analyst of Bersin & Associates, said, “Companies aren’t rolling out more training, but are trying to get better results from existing programs.”<sup>38</sup>

### Shortage of Skilled Workers

Shortage of future skilled workers was first projected in the 1980s but has recently received additional attention. Mark Tomlinson, executive director and general manager of the Society of Manufacturing Engineers, compares the shortage of skilled workers to viewing an iceberg in stormy seas. “We’re just approaching it; we haven’t hit it yet but we know it’s there. People are starting to see it. They just don’t know how to deal with it.”<sup>39</sup> There will likely be major shortages of future skilled workers; for example, 240,000 jobs for skilled workers go unfilled annually, even in a recession. It took Cianbro Corporation, a heavy construction company in the Northeast, 18 months to hire 80 experienced welders.<sup>40</sup> As another example, the number-one problem facing surface finishers today is finding qualified employees.<sup>41</sup>

Unemployment figures are misleading because they do not show employers who are begging for skilled workers. Worldwide many companies are struggling to find skilled workers. Baby boomers—the best-educated and most-skilled workforce in U.S. history—are preparing to retire. Labor experts are concerned that workers in the United States lack the critical skills needed to replace baby boomers. Silicon Valley companies are having difficulty finding software engineers; Union Health Service and the Harvard hospital system find it hard to find nurses and

technicians; and manufacturers such as Caterpillar and Westinghouse cannot hire enough welders and machinists to operate their state-of-the-art lathes.<sup>42</sup>

Part of the problem in finding qualified people for manufacturing jobs is that there is a generation of young people for which manufacturing has not been an attractive job prospect because they have seen many jobs outsourced and they question the long-term future in these jobs. In addition, training needs are changing and the old skill requirements of reading, writing, and arithmetic have been expanded. Executives are increasingly demanding additional skills of their new hires such as critical thinking and problem solving, communication, collaboration, and creativity.<sup>43</sup>

### **Technological Advances**

Change is occurring at an amazing speed, with knowledge doubling every year. Perhaps no factor has influenced T&D more than technology. As technology becomes capable of handling more and more tasks, employers combine jobs and confer broader responsibilities on remaining workers. For example, the technology of advanced automated manufacturing, such as that in the automobile industry, is today doing the jobs of other employees, including the laborer, the materials handler, the operator-assembler, and the maintenance person. In fact, it is now commonplace for a single employee to perform all of those tasks in a position called "manufacturing technician." The expanding range of tasks and responsibilities in almost all jobs demand higher levels of reading, writing, and problem-solving skills. Employees must possess higher levels of reading skills than before because they must now be able to read the operating and troubleshooting manuals (when problems arise) of automated manufacturing equipment that is based on computer technology. Previously, the design of manufacturing equipment was relatively simple and easy to operate, based on simple mechanical principles such as pulleys.

Technological innovation also has fostered increased autonomy and team-oriented work places, which also demand different job-related skills than employees once needed. For example, the manufacturing technician's job mentioned previously, is generally more autonomous than its predecessor. Thus, technicians must be able to manage themselves and their time. Employers now rely on working teams' technical and interpersonal skills to drive efficiency and to improve quality. Today's consumers often expect customized products and applications, which require that employees possess sufficient technical skill to tailor products and services to customers' needs, as well as the interpersonal skills necessary to determine client needs and customer service.

### **Global Complexity**

The world is simply getting more complex, and this has had an impact on how an organization operates. No longer does a firm just compete against other firms in the United States. Now more than ever, to sustain competitive advantage companies must provide their employees with leading-edge skills, and encourage employees to apply their skills proficiently. Increasing customer expectations also mean the standards for success are constantly rising. To compete in the more complex global environment, companies must be able to simultaneously integrate global operations, respond to diverse local/national needs within subsidiary operations, and implement innovation rapidly around the world.

There is reason to suspect that many U.S. firms are already behind in this regard. Employers in both the European Common Market and some Pacific Rim economies have long emphasized learning as a proactive tool for responding to strategic change. For example, in Ireland, the private sector offers graduate employment programs to employees in particular skill areas such as science, marketing, and technology. In short, global competition necessitates that companies in the United States become more productive and there is growing consensus that training must be at the forefront of their attempts to do so.

### **Learning Styles**

Although much remains unknown about the learning process, what is known affects the way firms conduct training. It is known that adults retain approximately 20 percent of what they read and hear, 40 percent of what they see, 50 percent of what they say, 60 percent of what they do, and 90 percent of what they see, hear, say, and do.<sup>44</sup> Because of these differences, it is important to use a wide range of T&D methods. Learning style supports the concept that people have a natural preference, based on their dominant sense, in how they choose to learn and process information. It may be visual, hearing, or touching.<sup>45</sup> Some learn best from working in a group whereas others prefer studying on an



## ETHICAL DILEMMA

### The Tough Side of Technology

You are the HR director for a large manufacturing firm that is undergoing major changes. Your firm is in the process of building two technologically advanced plants. When these are completed, the company will close four of its five old plants. It is your job to determine who will stay with the old plant and who will be retrained for the newer plants.

One old-plant employee is a 56-year-old production worker who has been with your firm for 10 years. He seems to be a close personal

friend of your boss, as they are often seen together socially. However, in your opinion, he is not capable of handling the high-tech work required at the new plants, even with additional training. He is not old enough to receive any retirement benefits and there are other qualified workers with more seniority who want to remain at the old plant.

1. What would you do?
2. What factor(s) in this ethical dilemma might influence a person to make a less-than-ethical decision?

individual basis. Still others absorb best by seeing how the material provides a practical application, and others want to know the theoretical basis. Some learners can readily absorb information by reading written words whereas others learn best through hearing the words spoken.

In studying the information in this text, the different learning styles will become apparent. There are exercises at the end of each chapter to provide hands-on application of the material. Being able to read the words in the text will appeal to some whereas others will learn best through hearing the instructor's lecture. Each chapter's PowerPoint slides provide a visual representation of the material. The incidents at the end of each chapter require extending your newfound knowledge in a practical manner.

To cope with the different learning styles, firms use multiple methods, called **blended training** (also referred to as blended learning), to deliver T&D. This involves using a combination of training methods that are strategically combined to best achieve a training program's objectives.<sup>46</sup> John Leutner, head of global learning services for Xerox corporate HR, said, "The new blended learning is about creating a richer, more meaningful development experience that relates to a person's work and performance."<sup>47</sup>

Another learning principle is that learners progress in an area of learning only as far as they need to achieve their purposes. Professors have long known that telling students which concepts are important motivates them to study the material, especially if the information is prime test material. Research indicates that unless there is relevance, meaning, and emotion attached to the material taught, trainees will not learn.

Another learning principle is that the best time to learn is when the learning can be useful. One way this impacts T&D is the need for training on a timely basis. **Just-in-time training (on-demand training)** is training provided anytime, anywhere in the world when it is needed. Computer technology, the Internet, intranets, smartphones, and similar devices have made these approaches economically feasible to a degree never before possible. The ability to deliver knowledge to employees on an as-needed basis, anywhere on the globe, and at a pace consistent with their learning styles greatly enhances the value of T&D.

#### Other Human Resource Functions

Successful accomplishment of other human resource functions can also have a crucial impact on T&D. For instance, if recruitment-and-selection efforts or its compensation package attract only marginally qualified workers, a firm will need extensive T&D programs. Hiring marginally qualified workers will likely have a significant impact on the firm's safety and health programs. Therefore, additional training will be required.

### Human Resource Management Training Initiatives

HR is responsible for many company-wide training initiatives on HR-related matters. Among these initiatives are orientation (onboarding), ethics, compliance (equal employment opportunity, Occupational Safety and Health), and diversity. We will limit our discussion to orientation

#### blended training

The use of multiple training methods to deliver T&D.

#### just-in-time training (on-demand training)

Training provided anytime, anywhere in the world when it is needed.

#### OBJECTIVE 8.8

Summarize some human resource management training initiatives.

**orientation**

Initial T&D effort for new employees that informs them about the company, the job, and the work group.

(onboarding). We already discussed ethics training and diversity training in Chapters 2 and 3. Safety training is discussed in Chapter 13. Resources for other types of compliance training are available online on the government agency responsible for the compliance issue. For example, the Office of Federal Contract Compliance Programs Web site addresses affirmative action requirements, and the U.S. Department of Labor provides learning resources for determining whether jobs are exempt from the overtime pay provision of the Fair Labor Standards Act.

**Orientation** is the initial T&D effort to inform new employees about the company, the job, and the work group. It becomes a way to engage new employees and reinforce the fact that they made the proper career choice. It also familiarizes them with the corporate culture and helps them to quickly become productive. A good orientation program is quite important because first impressions are often the most lasting and need to start the minute an applicant accepts an offer of employment. One of the orientation goals at Booz Allen is to make a positive first impression and create excitement before the new hire's first day on the job, using their online new-hire portal.<sup>48</sup>

New employees usually decide whether or not to stay at a company within their first six months of employment, and orientation programs give organizations an opportunity to get the relationship off to a good start. Therefore, new-hire orientation programs are particularly crucial for the rapid transition from new hires to contributing members of the organization. Orientation formats are unique to each firm. However, some basic purposes are listed here.

- *The Employment Situation.* At an early point in time, it is helpful for the new employee to know how his or her job fits into the firm's organizational structure and goals.
- *Company Policies and Rules.* Every job within an organization must be performed within the guidelines and constraints provided by policies and rules. Employees must understand these to ensure a smooth transition into the workplace.
- *Compensation.* Employees have a special interest in obtaining information about the reward system. Management normally provides this information during the recruitment-and-selection process and often reviews it during orientation.
- *Corporate Culture.* The firm's culture reflects, in effect, "How we do things around here." This relates to everything from the way employees dress to the way they talk.
- *Team Membership.* A new employee's ability and willingness to work in teams was likely determined before he or she was hired. In orientation, the program may again emphasize the importance of becoming a valued member of the company team.
- *Employee Development.* An individual's employment security is increasingly becoming dependent on his or her ability to acquire needed knowledge and skills that are constantly changing. Thus, firms should keep employees aware not only of company-sponsored developmental programs, but also of those available externally.
- *Socialization.* To reduce the anxiety that new employees may experience, the firm should take steps to integrate them into the informal organization. Some organizations have found that employees subjected to socialization programs, including the topics of politics and career management, perform better than those who have not undergone such training.

To this list, add the fact that there are numerous forms and documents a new employee must complete or read and acknowledge.

Supervisors represent the front line of orientation. Roger Chevalier, California-based management consultant and author of *A Manager's Guide to Improving Workplace Performance*, said, "If employees are selected properly, 85 percent of whether or not they will succeed is based on the environment created by a supervisor."<sup>49</sup> Peers also often serve as excellent information agents. There are several reasons for using peers in performing this function. For one thing, they are accessible to newcomers, often more so than the boss. Peers also tend to have a high degree of empathy for new people. In addition, they have the organizational experience and technical expertise to which new employees need access. Some organizations assign a mentor or "buddy" to new hires to work with them until they are settled in.

Although orientation can occupy a new employee's first few days on the job, some firms believe that learning is more effective if spread out over time. For example, a company may deliver a program in a system of 20 one-hour sessions over a period of several weeks. Some firms are sensitive to information overload and make information available to employees on an as-needed basis. For example, a new supervisor may eventually have the responsibility for

evaluating his or her subordinates. But knowledge of how to do this may not be needed for six months. A training segment on performance evaluation may be placed on the Internet or a firm's intranet and be available when the need arises. This approach is consistent with *just-in-time training*, mentioned previously.

### OBJECTIVE 8.9

Explain the concept of careers and career paths.

#### career

General course that a person chooses to pursue throughout his or her working life.

#### career path

A flexible line of movement through which a person may travel during his or her work life.

## Careers and Career Paths

In the sections that follow, we will address a series of interrelated topics—careers, career paths, and career planning. A **career** is a general course that a person chooses to pursue throughout his or her working life. Historically, a *career* was a sequence of work-related positions an individual occupied during a lifetime, although not always with the same company. However, today there are few relatively static jobs. A **career path** is a flexible line of movement through which a person may travel during his or her work life. Following an established career path, the employee can undertake career development with the firm's assistance. From a worker's perspective, following a career path may involve weaving from company to company and from position to position as he or she obtains greater knowledge and experience. Career paths have historically focused on upward mobility within a particular occupation, which was a choice not nearly as available as in the past. The days of the cradle to the grave job have largely disappeared. Other career paths include the network, lateral skill, dual-career paths, adding value to your career, demotion, and being your own boss as a free agent. Most careers are no longer a straight ascent up the corporate ladder. By selecting an alternative career path, a person may transfer current skills into a new career, one that was only dreamed about in the past. Typically, these career paths are used in combination and may be more popular at various stages of a person's career.

In the Watch It video, you will learn that Verizon provides employees with the opportunity to develop a career path that fits their interests and the company's needs. Verizon also provides a variety of training programs to help facilitate the attainment of career goals.

### ★ Watch It 2

If your professor has assigned this, sign into [mymangementlab.com](http://mymangementlab.com) to watch a video titled *Verizon: Career Planning* and to respond to questions.

#### traditional career path

Employee progresses vertically upward in the organization from one specific job to the next.

### Traditional Career Path

Although the traditional career path is not as viable a career path option as it previously was, understanding it furthers one's comprehension of the other career path alternatives. The **traditional career path** is one in which an employee progresses vertically upward in the organization from one specific job to the next. The assumption is that each preceding job is essential preparation for the next-higher-level job. Therefore, an employee must move, step-by-step, from one job to the next to gain needed experience and preparation. One of the biggest advantages of the traditional career path is that it was straightforward and very predictable.<sup>50</sup> The path was clearly laid out, and the employee knew the specific sequence of jobs through which he or she must progress.

Today, the old model of a career in which an employee worked his or her way up the ladder in a single company is becoming somewhat rare. The up-or-out approach, in which employees have to keep getting promoted quickly or get lost, is becoming outmoded. The certainties of yesterday's business methods and growth have disappeared in most industries. However, the one certainty that still remains is that there will always be top-level managers and individuals who strive to achieve these positions. The manner in which these positions are obtained may be different.

#### network career path

Method of career progression that contains both a vertical sequence of jobs and a series of horizontal opportunities.

### Network Career Path

The **network career path** contains both a vertical sequence of jobs and a series of horizontal opportunities. The network career path recognizes the interchangeability of experience at certain levels and the need to broaden experience at one level before promotion to a higher level. Often,

this approach provides more realistic opportunities for employee development in an organization than does the traditional career path. For instance, a person may work as an inventory manager for a few years and then move to a lateral position of shift manager before being considered for a promotion. The vertical and horizontal options lessen the probability of blockage in one job. Royal Caribbean crew members are often given several different work assignments prior to a promotion. One major disadvantage of this type of career path is that it is more difficult to explain to employees the specific route their careers may take for a given line of work.

### Lateral Skill Path

The **lateral skill path** allows for lateral moves within the firm, taken to permit an employee to become revitalized and find new challenges. Neither pay nor promotion may be involved, but by learning a different job, an employee can increase his or her value to the organization and also become rejuvenated and reenergized. Firms that want to encourage lateral movement may choose to use a skill-based pay system that rewards individuals for the type and number of skills they possess. Another approach is job enrichment. This approach rewards (without promotion) an employee by increasing the challenge of the job, giving the job more meaning, and giving the employee a greater sense of accomplishment.

#### lateral skill path

Career path that allows for lateral moves within the firm, taken to permit an employee to become revitalized and find new challenges.

### Dual-Career Path

The dual-career path was originally developed to deal with the problem of technically trained employees who had no desire to move into management through the normal upward mobility procedure. The **dual-career path** recognizes that technical specialists can and should be allowed to contribute their expertise to a company without having to become managers. A dual-career approach is often established to encourage and motivate professionals in fields such as engineering, sales, marketing, finance, and HR. Individuals in these fields can increase their specialized knowledge, make contributions to their firms, and be rewarded without entering management. Whether on the management or technical path, compensation would be comparable at each level. The dual system has been a trademark in higher education, where individuals can move through the ranks of instructor, assistant professor, associate professor, and professor without having to go into administration.

#### dual-career path

Career path that recognizes that technical specialists can and should be allowed to contribute their expertise to a company without having to become managers.

### Adding Value to Your Career

Adding value to your career may appear to be totally self-serving, but nevertheless, it is a logical and realistic career path. In the rapidly changing world today, professional obsolescence can creep up on a person. What makes a person valuable in today's work environment is the knowledge and experience he or she brings to a job. An individual's knowledge must be ever expanding, and continual personal development is a necessity. The better an employee's qualifications, the greater the opportunities he or she has with the present firm and in the job market. A person must discover what companies need, then develop the skills necessary to meet these needs as defined by the marketplace. Individuals should always be doing something that contributes significant, positive change to the organization. If any vestige of job security exists, this is it. Basically, the primary tie that binds a worker to the company, and vice versa, is mutual success resulting in performance that adds value to the organization.

### Demotion

**Demotion** is the process of moving a worker to a lower level of duties and responsibilities, which typically involves a reduction in pay. Demotions have long been associated with failure, but limited promotional opportunities in the future and the fast pace of technological change may make demotion a legitimate career option. If the stigma of demotion can be removed, more employees, especially older workers, might choose to make such a move. Some people get into a position only to find their skills were better suited to their old job. Sometimes they decide they do not want to have as much responsibility because of things going on in their personal lives. Working long hours for limited promotional opportunity loses its appeal to some after a while, especially if the worker can financially afford the demotion. In certain instances, this approach might open up a clogged promotional path and at the same time permit a senior employee to escape unwanted stress without being viewed as a failure.

#### demotion

Process of moving a worker to a lower level of duties and responsibilities, which typically involves a reduction in pay.

**free agents**

People who take charge of all or part of their careers by being their own bosses or by working for others in ways that fit their particular needs or wants.

**OBJECTIVE 8.10**

Identify career planning approaches.

**career planning**

Ongoing process whereby an individual sets career goals and identifies the means to achieve them.

**self-assessment**

Process of learning about oneself.

**strength/weakness balance sheet**

A self-evaluation procedure, developed originally by Benjamin Franklin, that assists people in becoming aware of their strengths and weaknesses.

**Free Agents (Being Your Own Boss)**

**Free agents** are people who take charge of all or part of their careers by being their own bosses or by working for others in ways that fit their particular needs or wants. Many became free agents because of company downsizing and have no desire or would have difficulty reentering the corporate world.<sup>51</sup> Some free agents work full-time; others work part-time. Others work full-time and run a small business in the hope of converting it into their primary work. Free agents come in many shapes and sizes, but what distinguishes them is a commitment to controlling part or all of their careers. They have a variety of talents and are used to dealing with a wide range of audiences and changing their approach on the spot in response to new information or reactions. They also tend to love challenges and spontaneity.<sup>52</sup>

**Career Planning Approaches**

**Career planning** is an ongoing process whereby *an individual* sets career goals and identifies the means to achieve them. Individuals in today's job market must truly manage their careers. Career planning should not concentrate only on advancement opportunities because the present work environment has reduced many of these opportunities. At some point, career planning should focus on achieving successes that do not necessarily entail promotions.

"If you don't know where you're going, any road will get you there" is certainly true in career planning. Career planning must now accommodate a number of objectives and enable us to prepare for each on a contingency basis. It will need updating to accommodate changes in our own interests as well as in the work environment. Historically, it was thought that career planning was logical, linear, and indeed, planned. Today, a new job assignment often is thought of as being paid to learn a new task and increase your experience level in case you must leave your job. Because of the many changes that are occurring, career planning is essential for survival for individuals and organizations. Individuals should have a strategy or plan for unexpected career events that begins while they are still employed.

**Self-Assessment**

**Self-assessment** is the process of learning about oneself. Anything that could affect one's performance in a future job should be considered. It is one of the first things that a person should do in planning a career. A self-assessment can help a person target career choices and goals. Conducting a realistic self-assessment may help a person avoid mistakes that could affect his or her entire career progression. A person should take time to analyze his or her past successes and failures. A thorough self-assessment will go a long way toward helping match an individual's specific qualities and goals with the right job or profession. Remember, you cannot get what you want until you know what you want. The self-assessment is not something that is done once and forgotten. It is something that spans a career and into retirement. The self-assessment may show that you do not want to retire at 65. Some enjoy working well past what traditionally has been thought of as the retirement age. As a 95-year-old former mentor said, "work is what keeps me alive and going. Everyone I know who retired died young, and certainly much younger than me."<sup>53</sup>

Some useful tools include a strength/weakness balance sheet and a likes and dislikes survey. However, any reasonable approach that assists self-understanding is helpful, which include a strength/weakness balance sheet and a likes/dislikes survey.

A self-evaluation procedure, developed originally by Benjamin Franklin, that assists people in becoming aware of their strengths and weaknesses is the **strength/weakness balance sheet**. Employees who understand their strengths can use them to maximum advantage. By recognizing their weaknesses, they are in a better position to overcome them. This statement sums up that attitude: "If you have a weakness, understand it and make it work for you as a strength; if you have a strength, do not abuse it to the point at which it becomes a weakness."

To use a strength/weakness balance sheet, the individual lists strengths and weaknesses as he or she perceives them. This is quite important, because believing, for example, that a weakness exists even when it does not can equate to a real weakness. Thus, if you believe that you make a poor first impression when meeting someone, you will probably make a poor impression. The perception of a weakness often becomes a self-fulfilling prophecy.

TABLE 8-1

## Strength/Weakness Balance Sheet

Strengths	Weaknesses
Work well with people.	Do not like constant supervision.
Good manager of people.	Often say things without realizing consequences.
Hard worker.	Cannot stand to sit at a desk all the time.
Lead by example.	Basically a rebel at heart but have portrayed myself as just the opposite. My conservatism has gotten me jobs that I emotionally did not want.
People respect me as being fair and impartial.	Am sometimes nervous in an unfamiliar environment.
Tremendous amount of energy.	Interest level hits peaks and valleys.
Get the job done when it is defined.	Many people look on me as being unstable.
Excellent at organizing other people's time.	Not a tremendous planner for short range.
Can get the most out of people who are working for me.	Exclusively better at long-range planning.
Have a great amount of empathy.	Impatient—want to have things happen fast.
	Do not like details.

Table 8-1 shows an example of a strength/weakness balance sheet. Typically, a person's weaknesses will outnumber strengths after the first few attempts. However, as the individual repeats the process, some items that first appeared to be weaknesses may eventually be seen as strengths and should then be moved from one column to the other. A person should devote sufficient time to the project to obtain a fairly clear understanding of his or her strengths and weaknesses. Typically, the process should take at least several days during which the list is drafted and subsequently modified. People change, and every few years the process should again be undertaken again.

A **likes and dislikes survey** assists individuals in recognizing restrictions they place on themselves. Connecticut-based career counselor Julie Jansen said, "It's important in identifying what you want to do, what your skills are, and what you don't—and do—like about your current occupation."<sup>54</sup> You are looking for qualities you want in a job and attributes of a job you do not want. For instance, some people are not willing to live in certain parts of the country, and such feelings should be noted as a constraint. Some positions require a person to spend considerable amount of time traveling. Thus, an estimate of the amount of time a person is willing to travel would also be helpful. Recognition of such self-imposed restrictions may reduce future career problems.

The size of the firm might also be important. Some like a major organization whose products or services are well known; others prefer a smaller organization, believing that the opportunities for advancement may be greater or that the environment is better suited to their tastes. All factors that could affect an individual's work performance should be listed in the likes and dislikes survey. An example of this type of survey is shown in Table 8-2.

### Formal Assessment

Combining self-assessment with formal assessment tools designed to inform career planning considerations provides a more comprehensive approach. **Formal assessment** refers to the use of established external approaches to facilitate evaluation of an issue at hand. There are many tools, including the use of performance appraisal, which we already addressed in Chapter 7. An example is the 360-degree feedback method. In this chapter, we will focus on another approach. In the career planning domain, testing tools to identify career interests based on values and personality represent one approach. Although individuals may complete

#### likes and dislikes survey

Procedure that helps individuals in recognizing restrictions they place on themselves.

#### formal assessment

The use of established external approaches to facilitate evaluation of an issue at hand.

TABLE 8-2

## Likes and Dislikes Survey

Likes	Dislikes
Enjoy traveling	Do not want to work for a large firm
Would like to live in the Southeast United States	Would not want to work in a large city
Enjoy being my own boss	Would not like to work behind a desk all day
Would like to live in a medium-sized city	Would not like to wear suits all the time
Enjoy watching football and baseball	
Enjoy playing racquetball	

these tests on their own and read the report that is generated based on their responses, it often makes sense to work with a career counselor who can answer questions and make further recommendations.

Perhaps the most well-known example is the Myers-Briggs Type Indicator. This assessment tool contains dozens of questions that elicit an individual's preferences for how they would behave in different situations. The MBTI describes the following four preferences: *Energy* measures an individual's degree of extraversion or introversion to determine whether a person gains energy through interpersonal relationships (extraversion) or through self-reflection (introversion). *Information-Gathering* measures a preference for gathering information about facts to consider before making a decision (Sensing) or a preference for gathering information about possibilities before making a decision. *Decision making* measures a preference for the amount of consideration a person gives to their own or others' feelings and values relative to facts and details. Preferences to consider the effect of a decision on personal feelings as well as on others (Feeling) stand in contrast to a preference to make objective decisions (Thinking). *Lifestyle* refers to an individual's inclination to be either flexible or structured. A preference to establish goals, strategies for goal attainment, and deadlines for meeting them (Judging) stands in contrast to a preference for embracing the unexpected, modifying decisions, and working without definitive timelines and deadlines (Perceiving).

An example of a formal test is the Career Key, which is based on Holland's Theory of Career Choice. This theory is premised on the idea that people are more likely to thrive in situations that match their personalities. It specifies six personality and corresponding situational types. For example, according to Holland's theory:<sup>55</sup>

*Persons having an Investigative personality type "dominate" this environment. There are more of them than there are people of other personality types. For example, in a scientific laboratory there will be more persons having an "Investigative" personality than there will be people who have an Enterprising type. "Investigative" people create an "Investigative" environment. For example, they particularly value people who are precise, scientific, and intellectual—who are good at understanding and solving science and math problems.*

Examples of jobs that fit this description include architects and physicians.

★ Try It!

If your professor has assigned this, sign onto [mymanagementlab.com](http://mymanagementlab.com) to complete the Managing Your Career simulation and test your application of these concepts when faced with real-world decisions.

**OBJECTIVE 8.11**

Discuss career development and career development methods.

**career development**

Formal approach used by the organization to ensure that people with the proper qualifications and experiences are available when needed.

## Career Development and Career Development Methods

**Career development** is a formal approach used by the organization to ensure that people with the proper qualifications and experiences are available when needed. Beverly Kaye, coauthor of *Love 'Em or Lose 'Em: Getting Good People to Stay*, studied the top 20 reasons employees remain with their company and discovered that career development opportunities was number one on the list. It was even more important than receiving greater pay.<sup>56</sup> With career development, the organization identifies paths and activities for individual employees as they develop.

Career planning rests with the employee. However, career development must closely parallel individual career planning if a firm is to retain its best and brightest workers. Employees must see that the firm's career development effort is directed toward furthering their specific career objectives. Companies must therefore help their employees obtain their career objectives and most notably, career security. They must provide them with opportunities to learn and do different things. Performing the same or a similar task over and over provides little development. Through effective career development, a pool of men and women can be developed who can thrive in any number of organizational structures in the future.

Properly designed and implemented career development programs can aid in recruiting and hiring and ensure that the best employees are in the pipeline for future leadership positions. Formal career development is important to maintain a motivated and committed workforce. In fact, Gen Y workers tend to favor personalized career guidance as opposed to big salaries and retirement packages. Further, high-potential employees are more likely to remain with organizations that are willing to invest in their development.

Career development should begin with a person's job placement and initial orientation. Management then observes the employee's job performance and compares it to job standards. At this stage, strengths and weaknesses will be noted, enabling management to assist the employee in making a tentative career decision. Naturally, this decision can be altered later as the process continues. This tentative career decision is based on a number of factors, including personal needs, abilities, and aspirations, and the organization's needs. Management can then schedule development programs that relate to the employee's specific needs.

Career development programs are expected to achieve one or more of the following objectives:

- *Effective development of available talent.* Individuals are more likely to be committed to career development that is part of a specific career plan. This way, they can better understand the purpose of development. Career development consistently ranks high on employees' *want lists*, and they can often be a less expensive option than pay raises and bonuses.
- *Self-appraisal opportunities for employees considering new or nontraditional career paths.* Some excellent workers do not view traditional upward mobility as a career option because firms today have fewer promotion options available. Other workers see themselves in dead-end jobs and seek relief. Rather than lose these workers, a firm can offer career planning to help them identify new and different career paths.
- *Development of career paths that cut across divisions and geographic locations.* The development should not be limited to a narrow spectrum of one part of a company.
- *A demonstration of a tangible commitment to developing a diverse work environment.* Individuals who recognize a company as desiring a diverse environment often have greater recruiting and retention opportunities.
- *Satisfaction of employees' specific development needs.* Individuals who see their personal development needs being met tend to be more satisfied with their jobs and the organization. They tend to remain with the organization.
- *Improvement of performance.* The job itself is the most important influence on career development. Each job can provide different challenges and experiences.
- *Increased employee loyalty and motivation, leading to decreased turnover.* Individuals who believe that the firm is interested in their career planning are more likely to remain with the organization.

- *A method of determining training and development needs.* If a person desires a certain career path and does not currently have the proper qualifications, this identifies a training and development need.

There are numerous methods for career development. Some currently used methods, most of which are used in various combinations, are discussed next.

### Manager/Employee Self-Service

Manager and employee self-service have proven to be useful in career development. Many companies are providing managers with the online ability to assist employees in planning their career paths and developing required competencies. Through employee self-service, employees are provided with the ability to update performance goals online and to enroll in training courses.

### Discussions with Knowledgeable Individuals

In a formal discussion, the superior and subordinate employees may jointly agree on what career development activities are best. The resources made available to achieve these objectives may also include developmental programs. In some organizations, human resource professionals are the focal point for providing assistance on the topic. In other instances, psychologists and guidance counselors provide this service. In an academic setting, colleges and universities often provide career planning and development information to students. Students often go to their professors for career advice.

### Company Material

Some firms provide material specifically developed to assist in career development. Such material is tailored to the firm's special needs. In addition, job descriptions provide valuable insight for individuals to personally determine whether a match exists between their strengths and weaknesses and specific positions.

### Performance Appraisal System

The firm's performance appraisal system can also be a valuable tool in career development. Discussing an employee's strengths and weaknesses with his or her supervisor can uncover developmental needs. If overcoming a particular weakness seems difficult or even impossible, an alternative career path may be the solution.

### Workshops

Some organizations conduct workshops lasting two or three days for the purpose of helping workers develop careers within the company. Employees define and match their specific career objectives with the needs of the company. At other times, the company may send workers to workshops available in the community or workers may initiate the visit themselves. Consider just two of the developmental activities available for HR professionals:

- *Society for Human Resource Management Seminar Series.* Many HR seminars are available to SHRM members.
- *American Management Association, Human Resource Seminars.* There are numerous human resource seminars offered through the AMA.

#### OBJECTIVE 8.12

Describe management development.

**management development**  
Consists of all learning experiences provided by an organization resulting in upgrading skills and knowledge required in current and future managerial positions.

## Management Development

**Management development** consists of all learning experiences provided by an organization resulting in upgrading skills and knowledge required in current and future managers. Although leadership is often depicted as an exciting and glamorous endeavor, there is another side; failure can quickly result in losing one's position. The risks are especially high because of today's rapid changes. This situation magnifies the importance of providing development opportunities for a firm's management group. Even in the recent recession, the demand for management development continued to be strong. Although budgets were being slashed, managers and executives were asking for more help. A recent study found that almost 70 percent of companies believe that senior executives need to improve their leadership skills. More than half of companies reported

that their top leaders needed to also improve their strategic planning skills. Several other skills that leaders need are encouraging teamwork, motivating people, and creativity.<sup>57</sup> The DDI's *Global Leadership Forecast 2011* found that organizations with the highest-quality leaders were 13 times more likely to outperform their competition in metrics such as financial accomplishment, product quality and services, employee engagement, and customer approval.<sup>58</sup>

A firm's future lies largely in the hands of its managers. This group performs certain functions essential to the organization's survival and prosperity. Managers must make the right choices in most of their decisions; otherwise, the firm will not grow and may even fail. Therefore, it is imperative that managers keep up with the latest developments in their respective fields and, at the same time, manage an ever-changing workforce operating in a dynamic environment. Also note that as managers reach higher levels in the organization, it is not so much their technical skills that they need, but their interpersonal skills and their business knowledge.

First-line supervisors, middle managers, and executives may all participate in management development programs. These programs are available in-house, by professional organizations, and at colleges and universities. T&D specialists often plan and present in-house programs, at times using line managers. Organizations such as the SHRM and AMA conduct conferences and seminars in a number of specialties. Numerous colleges and universities also provide management development programs. Colleges and universities may possess expertise not available within business organizations. In these cases, academicians and management practitioners can advantageously present T&D programs jointly.

### Mentoring and Coaching

Mentoring and coaching have become important means of management development. Because the purposes of mentoring and coaching are similar in concept and the terms are often used interchangeably in the literature, they are discussed together. Coaching and mentoring activities, which may occur either formally or informally, are primarily development approaches emphasizing one-on-one learning.

**Mentoring** is an approach to advising, coaching, and nurturing for creating a practical relationship to enhance individual career, personal, and professional growth and development. The concept of a mentor is believed to have its origins in Greek mythology when Odysseus set out for the Trojan War and placed the running of his palace in the hands of his trusted friend, Mentor.<sup>59</sup> Mentors may be anywhere in the organization or even in another firm. For years, mentoring has repeatedly been shown to be the most important factor influencing careers. In a study done by Gartner Research, having a mentor helps a person get promoted five times more often than his or her peers who do not have mentors. They are also promoted six times more than the competition.<sup>60</sup>

Most *Fortune 500* companies have a mentoring program. Mentors equip protégés to learn for themselves by sharing experiences, asking demanding questions, challenging decision making, and expanding problem-solving skills. It focuses on skills to develop protégés to perform to their highest potential, leading to career advancement. Mentors have the potential to help mentees discover their strengths and weaknesses, formulate a career path, set goals, manage stress, and balance work and personal obligations. Organizations are using mentoring to prepare a successor and also to transition knowledge and skills within the organization. Technology can be used to match up mentors and mentees. These relationships may be quite fluid and form and dissolve around specific issues, such as helping younger people to build their professional networks.

E-mentoring, or open mentoring, is being used more and more today as opposed to face-to-face interaction with positive results. Many keep in touch with their mentors via e-mail, Facebook, and Twitter, but they may get together for lunch if they happen to be in the same location.

Most believe that women can truly benefit from a female mentor who has knowledge and experience and can show them "the ropes." For various reasons, mentors tend to seek out their mirror images. Because women and minorities are not equally represented at the firm's top levels, they sometimes are left without a female mentor. Women who are mentored, particularly by other women, are more likely to enhance and expand career skills, advance in their careers, receive higher salaries, and enjoy their work more. Women want and need to have advice provided by mentors to effectively use their talents and realize their potential, not only for their personal benefit but to assist their firms.<sup>61</sup>

#### mentoring

Approach to advising, coaching, and nurturing for creating a practical relationship to enhance individual career, personal, and professional growth and development.



## HR BLOOPERS

### Management Development at Trends Apparel

As the HR Director at Trends Apparel, Laura Kent finds it challenging to support management development for the retail chain's local store managers. Turnover of the managers is high and exit interviews indicate lack of training as a concern. After reading an article about other organizations using a new e-learning training program on management skills, she thinks she has found a solution to the dilemma. She contacted the company that developed the training program and learned that the training helps managers develop skills in inventory management and marketing products. Laura thought it sounded perfect for Trends Apparel managers and immediately purchased the training. However, after a month, only 2 of the 40

managers have enrolled in the training, and those two did not finish the training. In frustration, Laura organized a conference call with a group of managers to discuss the problem. She is surprised to learn that the managers don't see the training as relevant. They said what they really need is training in managing employees. For example, they need to learn how to better deal with employee problems and how to motivate employees. In addition, the managers told Laura that the e-learning program was just hard to work into their schedules. They felt coaching from other managers would be more helpful to them. Laura now realizes that even though the e-learning training program is already paid for, it is likely not going to be used.

★ If your professor has assigned this, go to [mymanagementlab.com](http://mymanagementlab.com) to complete the HR Bloopers exercise and test your application of these concepts when faced with real-world decisions.

#### coaching

Often considered a responsibility of the immediate boss, who provides assistance, much like a mentor.



#### HR Web Wisdom

CareerOneStop

<http://www.careeronestop.org/>

Career One Stop Pathways to Career Success.

#### reverse mentoring

A process in which older employees learn from younger ones.

**Coaching** is often considered a responsibility of the immediate boss, who provides assistance, much like a mentor, but the primary focus is about performance. Coaching involves helping workers see why they have been selected to perform the task or why they have been selected for the team. The coach has greater experience or expertise than the protégé and is in the position to offer wise advice. It is employee development that is customized to each individual and is therefore immediately applicable and does not require stepping away from work for extended periods of time.

#### Reverse Mentoring

**Reverse mentoring** is a process in which older employees learn from younger ones. There are people in organizations who are approaching retirement who do not want to retire and who have tremendous knowledge that should not go to waste. There are young people who know things others do not know and who are anxious to expand their horizons. The existence of these two diverse, but potentially mutually helpful, populations has led to reverse mentoring. At Procter & Gamble, the reverse mentoring program allows senior management to be mentored in areas such as biotechnology. It pairs scientists and top managers to explore the potential impact of biotechnology on P&G's customers, suppliers, and overall business. Time Warner has a Digital Reverse Mentoring Program between their executives and technology savvy college students.<sup>62</sup> Phil McKinney, a vice-president at Hewlett-Packard, uses reverse mentoring by spending time with his company's college interns to understand what motivates them and how they work.<sup>63</sup>

#### OBJECTIVE 8.13

Define organization development (OD) and describe various OD techniques.

### Organization Development: A Strategic Human Resources Tool

Individuals and groups receive the bulk of T&D effort. However, some firms believe that to achieve needed change, they must move the entire organization in a different direction. Efforts to achieve this are the focus of OD—planned and systematic attempts to change the organization, typically to a more behavioral environment. OD education and training strategies are designed to develop a more open, productive, and compatible workplace despite differences in personalities, culture, or technologies. The OD movement has been strongly advocated by researchers such as Chris Argyris and Warren Bennis.<sup>64</sup> OD applies to an entire system, such as a company or a plant, and is a major means of achieving change in the corporate culture. Various factors in the firm's corporate culture affect employees' behavior on the job. To bring about desired changes in these factors and behavior, organizations must be transformed into market-driven, innovative,

and adaptive systems if they are to survive and prosper in today's highly competitive global environment. This type of development is increasingly important as both work and the workforce diversify and change.

Numerous OD interventions are available to the practitioner. Interventions covered in the following sections include survey feedback, a technique often combined with other interventions such as quality circles and team building.

### Survey Feedback

The organization development method of basing change efforts on the systematic collection and measurement of subordinate's attitudes through anonymous questionnaires is **survey feedback**. It enables management teams to help organizations create working environments that lead to better working relationships, greater productivity, and increased profitability. Survey feedback generally involves the following steps:

1. Members of the organization, including top management, are involved in planning the survey.
2. All members of the organizational unit participate in the survey.
3. The OD consultant usually analyzes the data, tabulates results, suggests approaches to diagnosis, and trains participants in the feedback process.
4. Data feedback usually begins at the top level of the organization and flows downward to groups reporting at successively lower levels.
5. Feedback meetings provide an opportunity to discuss and interpret data, diagnose problem areas, and develop action plans.

### Quality Circles

The United States received the concept of quality circles from Japan several decades ago. This version of employee involvement is still in use today, improving quality, increasing motivation, boosting productivity, and adding to the bottom line. **Quality circles** are groups of employees who voluntarily meet regularly with their supervisors to discuss their problems, investigate causes, recommend solutions, and take corrective action when authorized to do so. The team's recommendations are presented to higher-level management for review, and the approved actions are implemented with employee participation.

Toyota North America Inc. uses quality circles to develop a competitive workforce spirit. Approximately 37 percent of the automaker's assemblers participate in Toyota's global "Quality Circles" competition that pits worker against worker in a friendly competition to develop more efficient manufacturing methods. The ultimate target is 100 percent. Quality circles are one way that Toyota sees as providing an edge over the competition. Toyota holds competitions twice a year to identify the best ideas.<sup>65</sup>

### Team Building

**Team building** is a conscious effort to develop effective work groups and cooperative skills throughout the organization. It helps members diagnose group processes and devise solutions to problems. Effective team building can be the most efficient way to boost morale, employee retention, and company profitability. Whether it's a lieutenant leading troops into battle or executives working with their managers, the same principles apply. An important by-product of team building is that it is one of the most effective interventions for improving employee satisfaction and work-related attitudes. Individualism has deep roots in U.S. culture. This trait has been a virtue and will continue to be an asset in our society. However, there are work situations that make it imperative to subordinate individual autonomy in favor of cooperation with a group. It seems apparent that teams are clearly superior in performing many of the tasks required by organizations. The building of effective teams, therefore, has become a business necessity.

Team building uses self-directed teams, each composed of a small group of employees responsible for an entire work process or segment. Team members work together to improve their operation or product, to plan and control their work, and to handle day-to-day problems. They may even become involved in broader, company-wide issues, such as vendor quality, safety, and business planning. There are basically two types of team-building exercises. In the

#### survey feedback

Organization development method of basing change efforts on the systematic collection and measurement of subordinate's attitudes through anonymous questionnaires.

#### quality circles

Groups of employees who voluntarily meet regularly with their supervisors to discuss problems, investigate causes, recommend solutions, and take corrective action when authorized to do so.

#### team building

Conscious effort to develop effective work groups and cooperative skills throughout the organization.

first, there is an attempt to break down barriers to understanding that workers have built. In the second, participants “place their lives” in the hand of others such as falling backward, believing that the team will catch you.<sup>66</sup> Team-building exercises run the spectrum from a paint-ball battle<sup>67</sup> to the raw egg exercise that Southwest Airlines creates. At Southwest Airlines, the firm divides new employees into teams and gives them a raw egg in the shell, a handful of straws, and some masking tape. Their task is, in a limited amount of time, to protect that delicate cargo from an eight-foot drop. The exercise prepares teams of employees for creative problem solving in a fast-paced environment.<sup>68</sup>

In one team-building exercise, participants were instructed to untangle a 60-foot yellow rope. At first participants tried to untangle the rope on an individual basis, which resulted in failure. Ultimately, they began to share their ideas on how to untangle the rope, and within minutes it was untangled.<sup>69</sup> A classic team-building exercise is called “blind man’s bluff” where a blindfolded person who is “it” has to chase others with only the verbal assistance of team members to guide him or her.<sup>70</sup>

Pump It Up sells inflatable playgrounds throughout the United States and uses the playgrounds and childlike activities to create team-building exercises. The head office worked with team-building experts to devise a handbook of business-related team-building activities, including “Leading the Crowd Playfully” (to break the ice) and “Tag Team Climbing” (to improve cooperation). However, just bouncing around—in socks, in full view of the boss—may improve team morale.<sup>71</sup>

A classic team-building exercise is called “Team Banquets,” where workers with different knowledge, skills, and experience are brought together to accomplish a single goal: create a banquet. The Team Banquet brings together 25 to 30 employees and challenges them to prepare a gourmet banquet within two hours. Only the raw ingredients and equipment are provided.<sup>72</sup> Through team building, management and participants discover that the exercises provide an excellent analogy to the workplace and provide an outstanding means for developing teamwork.

#### OBJECTIVE 8.14

Summarize the learning organization idea as a strategic mind-set.

## Learning Organization as a Strategic Mindset

A learning organization needs to provide a supportive learning environment and it provides specific learning processes and practices. Also, it is vital that management supports and reinforces learning. A learning organization moves beyond delivering tactical training projects to initiating learning programs aligned with strategic corporate goals. Once undervalued in the corporate world, training programs are now credited with strengthening customer satisfaction, contributing to partnership development, enhancing research and development activities, and finally, reinforcing the bottom line. Being recognized as a company that encourages its employees to continue to grow and learn can be a major asset in recruiting. Learning organizations view learning and development opportunities in all facets of their business and try to constantly look ahead and ensure that all employees are taking full advantage of their learning opportunities.<sup>73</sup> In a learning organization employees are rewarded for learning and are provided enriched jobs, promotions, and compensation. Organizations with a reputation for having a culture of being a learning leader tend to attract more and better-qualified employees.

In the competition to become listed in the “100 Best Companies to Work for in America,” learning and growth opportunities were a high priority. On nearly every survey, T&D ranks in the top three benefits that employees want from their employers, and they search for firms that will give them the tools to advance in their profession. It is clear that T&D is not merely a nice thing to provide. It is a strategic resource: one that firms must tap to energize their organizations in the 21st century.

#### OBJECTIVE 8.15

Identify some training issues in the global context.

## Training in the Global Context

The focus on this chapter has been training from a U.S. perspective. It is important to recognize that broadening training practice to the world stage presents additional issues. For instance, some countries distinguish themselves from others through the widespread use of specific training models. For example, the apprenticeship training model is prevalent in some European countries such as Germany, and it is successful there for a number of reasons because of the collaborative efforts between schools and industry. According to Wilfried Porth who is in charge of HR and

labor relations at Daimler, “You need a school system which supports it. We have this tradition in Germany of being loyal to the company. We also have a technology focus here in Germany. For that, you need very skilled people.”<sup>74</sup> In addition, Professor Hagen Kramer of Karlsruhe University of Applied Sciences states “The apprentices must be given structure training by their employer, alongside the general and vocational education they receive. It all ensures Germany has enough labour to do the jobs.”

Language and cultural differences play an important role in whether training initiatives are successful. For example, we have learned from our students that there isn’t always a direct translation of concepts between the English and Chinese languages, which makes field specific training challenging. In terms of learning, some researchers maintain that the Chinese believe in constant change and the importance of the relationships between things whereas Westerners embrace a more deterministic world that is rule-based.<sup>75</sup> For effective training, HR professionals must take the time to learn about the cultural differences and to consult experts who can help create training programs that will enable trainees to learn what the company requires them to learn.

## Summary

### 1. *Summarize the training and development process.*

*Training* is designed to permit learners to acquire knowledge and skills needed for their present jobs. *Development* involves learning that goes beyond today’s job. The process begins with the organization’s determination of its specific training needs. Then specific objectives need to be established. After setting the T&D objectives, management can determine the appropriate methods and the delivery system to be used. Management must continuously evaluate T&D to ensure its value in achieving organizational objectives.

### 2. *Explain how to determine specific training and development needs and objectives.*

Training professionals rely on three analytic approaches to determine training needs – organizational analysis, task analysis, and person analysis.

### 3. *Summarize various training methods.*

Training methods include instructor-led training, e-learning, case study, behavior modeling, role-playing, training games, in-basket training, on-the-job training, and apprenticeship training.

### 4. *Describe alternative training and development delivery systems.*

Delivery systems include corporate universities, colleges and universities, community colleges, online higher education, vestibule system, video media, and simulators.

### 5. *Summarize training and development implementation issues.*

Implementing T&D programs is often difficult. One reason is that managers are typically action-oriented and feel that they are too busy for T&D. Training and development requires more creativity than perhaps any other human resource function.

### 6. *Explain the metrics for evaluating training and development.*

Some possible metrics for evaluating training

and development include participants’ opinion, extent of learning, behavioral change, accomplishment of T&D objectives, return on investment from training, and benchmarking.

### 7. *Explain factors influencing training and development.*

There are numerous factors that both impact and are impacted by T&D, including top management support, shortage of skilled workers, technological advances, world complexity, lifetime learning, learning styles, and other human resource functions.

### 8. *Summarize some human resource management training initiatives.*

*Orientation* is the guided adjustment of new employees to the company, the job, and the work group. HR typically takes the lead on a variety of other training programs including ethics, compliance (for example, safety and health), and diversity training.

### 9. *Explain the concept of a careers and career paths.*

A *career* is the general course that a person chooses to pursue throughout his or her working life. A *career path* is a flexible line of movement through which a person may travel during his or her work life. Career paths include traditional career path, network career path, lateral skill path, dual-career path, adding value to your career, demotion, and free agents.

### 10. *Identify career planning approaches.*

*Career planning* is an ongoing process whereby an individual sets career goals and identifies the means to achieve them. Self-assessment (for example, a likes and dislikes survey) and formal assessment approaches (for example, surveys that measure how an individual would behave in particular situations) help organizations and employees with career planning.

11. **Discuss career development and career development methods.** *Career development* is a formal approach used by the organization to ensure that people with the proper qualifications and experiences are available when needed. Career development methods include manager/employee self-service, discussions with knowledgeable individuals, company material, performance appraisal system, and workshops.
12. **Describe management development.** *Management development* consists of all learning experiences provided by an organization for the purpose of providing and upgrading skills and knowledge required in current and future managers.
13. **Define organization development (OD) and describe various OD techniques.** *Organization development* is planned and systematic attempts to change the organization, typically to a more behavioral environment. OD techniques include survey feedback, a technique often combined with other interventions such as quality circles and team building.
14. **Summarize the learning organization idea as a strategic mind-set.** A *learning organization* is a firm that recognizes the critical importance of continuous performance-related T&D and takes appropriate action. Learning organizations view learning and development opportunities in all facets of their business and try to constantly look ahead and ensure that all employees are taking full advantage of their learning opportunities.
15. **Identify some training issues in the global context.** Countries differ by training models. For example, some countries such as Germany offer apprenticeship training programs which combine extensive on-the-job and traditional classroom learning over long periods. Language and cultural barriers represent an important challenge to training multicultural workforces.

## Key Terms

training and development (T&D) 191	team coordination training 198	network career path 207
training 191	cross-training 198	lateral skill path 208
development 191	corporate university 198	dual-career path 208
organization development (OD) 191	online higher education 199	demotion 208
learning organization 192	vestibule system 200	free agents 209
training and development needs assessment 193	simulators 200	career planning 209
organizational analysis 193	reactions 201	self-assessment 209
task analysis 193	learning 201	strength/weakness balance sheet 209
person analysis 193	behavior change 202	likes and dislikes survey 210
e-learning 195	transfer of training 202	formal assessment 210
case study 196	organizational results 202	career development 212
behavior modeling 196	benchmarking 202	management development 213
role-playing 196	blended training 205	mentoring 214
business games 197	just-in-time training (on-demand training) 205	coaching 215
in-basket training 197	orientation 206	reverse mentoring 215
on-the-job training (OJT) 197	career 207	survey feedback 216
apprenticeship training 197	career path 207	quality circles 216
team training 198	traditional career path 207	team building 216

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## Exercises

- 8-1. What do you believe would be the best method(s) of training for the following jobs? Discuss.
- an entry-level machine operator
  - new assistant manager for a McDonald's restaurant
  - salesperson for a new automobile dealership
- 8-2. What do you believe would be the best delivery system(s) for the aforementioned jobs?
- ★ 8-3. E-learning creates a situation in which training may be quite different from that which existed in the past. What might be some pros and cons for using e-learning in training and development practice?

## Questions for Review

4. Define *training* and *development*.
  5. What is a learning organization?
  6. What are the steps in the T&D process?
  7. What are the various training and development methods? Briefly describe each.
  8. What are the various training and development delivery systems? Briefly describe each.
  9. How is social networking used in informal training?
  10. Define *orientation*, and explain the purposes of orientation.
  11. What are some metrics for evaluating training and development?
  12. Define *career*. Why is it important for individuals to conduct career planning?
  13. What is the process of developing a strength/weakness balance sheet?
- 8-14. Why is it important for a firm to conduct career development?
  - 8-15. What are some career development methods?
  - 8-16. What are the various career paths that individuals may use?
  - 8-17. Define *management development*. Why is it important?
  - 8-18. Distinguish between mentoring and coaching. What is reverse mentoring?
  - 8-19. Define each of the following:
    - (a) organization development
    - (b) survey feedback
    - (c) quality circles
    - (d) team building
  - 8-20. How is the focus on training and development in the United States different than in other countries?

## INCIDENT 1 Training at Keller-Globe

Lou McGowen was worried as she approached the training director's office. She supervises six punch press operators at Keller-Globe, a maker of sheet metal parts for the industrial refrigeration industry. She had just learned that her punch presses would soon be replaced with a continuous-feed system that would double the speed of operations. She was thinking about how the workers might feel about the new system when the training director, Bill Taylor, opened the door and said, "Come on in, Lou. I've been looking forward to seeing you."

After a few pleasantries, Lou told Bill of her concerns. "The operators really know their jobs now. But this continuous-feed system is a whole new ball game. I'm concerned, too, about how the workers will feel about it. The new presses are going to run faster. They may think that their job is going to be harder."

Bill replied, "After talking with the plant engineer and the production manager, I made a tentative training schedule that might make you feel a little better. I think we first have to let the workers know why this change is necessary. You know that both of our competitors changed to this new system last year. After that, we will teach your people to operate the new presses."

"Who's going to do the teaching?" Lou asked. "I haven't even seen the new system."

"Well, Lou," said Bill, "the manufacturer has arranged for you to visit a plant with a similar system. They'll also ship one of the punch presses in early so you and your workers can learn to operate it."

"Will the factory give us any other training help?" Lou asked.

"Yes, I have asked them to send a trainer down as soon as the first press is set up. He will conduct some classroom sessions and then work with your people on the new machine."

After further discussion about details, Lou thanked Bill and headed back to the production department. She was confident that the new presses would be a real benefit to her section and that her workers could easily learn the skills required.

### Questions

- 8-21. Evaluate Keller-Globe's approach to training.
- 8-22. How might the use of social media assist Lou in training her employees?

## INCIDENT 2 There's No Future Here!

"Could you come to my office for a minute, Bob?" asked Terry Geech, the plant manager.

"Sure, be right there," said Bob Glemson. Bob was the plant's quality control director. He had been with the company for four years. After completing his degree in mechanical engineering, he worked as a production supervisor and then as a maintenance supervisor prior to moving to his present job. Bob thought he knew what the call was about.

"Your letter of resignation catches me by surprise," began Terry. "I know that Wilson Products will be getting a good person, but we

"I thought about it a lot," said Bob, "but there just doesn't seem to be a future for me here."

"Why do you say that?" asked Terry.

"Well," replied Bob, "the next position above mine is yours. Since you're only 39, I don't think it's likely that you'll be leaving soon."

"The fact is that I am leaving soon," said Terry. "That's why it's even more of a shock to learn that you're resigning. I think I'll be moving to the corporate office in June of next year. Besides, the company has several plants that are larger than this one, and we need good people in those plants from time to time, both in quality control and

"Well, I heard about an opening in the Cincinnati plant last year," said Bob, "but by the time I checked, the job had already been filled. We never know about opportunities in the other plants until we read about the incumbent in the company paper."

"All this is beside the point now. What would it take to get you to change your mind?" asked Terry.

"I don't think I will change my mind now," replied Bob, "because I've given Wilson Products my word that I'm going to join them."

### Questions

- 8-23. Evaluate the career planning and development program at this company.
- 8-24. What actions might have prevented Bob's resignation?

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Go to [mymanagementlab.com](http://mymanagementlab.com) for Auto-graded writing questions as well as the following Assisted-graded writing questions:

- 8-25. Why is executive onboarding for external hires so difficult?
- 8-26. What are some factors that influence T&D?

## Endnotes

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