

## What have HR managers got to say about training?

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The recent Australian Human Resources Institute convention in Melbourne was actually a joint event with the Asian Regional Training and Development Organisation. It was, therefore, a good occasion for trainers to observe what HR managers think about the role of training in the organisation.

The message from a number of speakers was that training and development play a key part in organisational performance. In particular, Bill Scales, Managing Director, HR at Telstra emphasised the importance of training in the context of organisational change, and Arlene Wherrett of Mercer Cullen Egan Dell saw employee development programs as being fundamental to succession planning.

### ***Scales weighs up training***

Bill Scales reviewed the history of broad-scale change in Australian organisations over the last 20 years. His focus was on the role that HR has played in the change process over that period. He maintained that HR has played a significant role as a change agent. However, in doing so, he underlined the importance of training to the process of organisational change.

He took the example of the automotive industry in the 1980s, where widespread restructuring occurred in the search for improvements in productivity and quality. The restructuring process was based on broadening workers' skills and shifting to a teamwork model of production.

Training was at the centre of these changes in a number of ways:

- workers needed to learn new skills in order to become multi-skilled;
- workers needed to learn new skills in communication in order to work productively and harmoniously in a team-based work environment;
- workers needed to acquire a positive attitude towards the learning process itself, because from now on it would be a regular part of their work life.

Scales said that the underlying imperative for HR managers — and trainers — in the automotive industry at that time was to develop a training culture in the organisation. If the changes required were to be achieved, workers needed to learn how to work flexibly, how to be innovative in work practices, and how to work with one another with trust.

The trainer's role thus embraced both a maintenance role — teaching technical skills and safety, for example, and a change role — developing a new organisational culture.

Scales then turned to today. He said that the business environment for Telstra was so much in flux that it was difficult to see more than about six months ahead. The industry was volatile, and the effect on HR managers was that it was difficult for them to predict what skills would be needed in the future.

Hence, trainers need to be able to respond very quickly to new training needs, and be able to develop programs to teach new skills without much lead time. There is an effect on trainers' broader role too. Trainers need to be able to convey the message to workers that training will be a constant from now on, and that it does not imply that they are inadequate — it is a function of the rapidly changing business environment. The implication is that trainers can present training and learning as positive experiences, and foster positive attitudes towards learning among all workers.

### ***Training for success in succession***

Arlene Wherrett arrived at the virtues of training from the perspective of succession planning. Her argument was that the companies which have the best results in succession for leadership positions are those which place their emphasis on the fostering of internal talent.

The context for succession planning today, said Wherrett, is that the workforce is likely to begin to shrink in the near future, while the demand for highly skilled staff will continue to increase. As a result, it is becoming more difficult to recruit staff, and more important to retain them.

Wherrett noted that the investor community is becoming aware of the impact of retention on companies' financial performance, and this raises the pressure on HR managers to find the best ways to foster and keep good managers.

Wherrett drew on the experiences of HR managers to illustrate strategies used in succession planning. One example was the Sydney University Students Union, which is an organisation with a turnover in the tens of millions of dollars. The message from its HR manager was that training was strongly integrated into its overall HR strategies for retaining staff and preparing for natural staff turnover.

The annual budget for training represented eight percent of payroll, far in excess of the Australian average of around three percent. The features of their training that contributed to high retention and a strong succession plan were:

- 'training one up' for the next job;
- fostering employees' commitment to their own learning for career progress;
- internal recruitment policies, so that employees were encouraged to learn beyond their current position;
- definite strategies for identifying and fostering 'stars' (potential high performers);
- the use of job rotation and special projects to further learning; and
- one-on-one coaching, which was becoming more popular with employees.

The intent of HR through this process was to assure workers that they were valued, and to make them aware that there were opportunities within the organisation. There was a strong alliance between training and HR through these efforts.