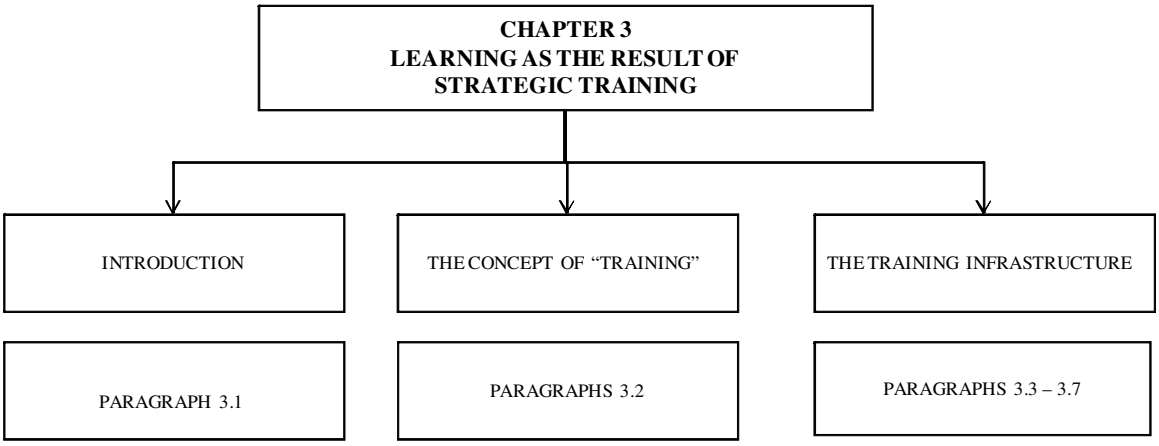
CHAPTER 3

LEARNING AS THE RESULT OF STRATEGIC TRAINING

GRAPHICAL REPRESENTATION OF CHAPTER 3



3.1 INTRODUCTION

The purpose of training is for learning to occur to enable the effective work performance of executives, managers and employees and to ensure the competitiveness of the company currently as well as in future. Prawatt (1992:14) explains the learning process in the following manner: "When learning (the construction of meaning) occurs, learners actively connect new information or ideas to their existing knowledge. Therefore learners, should first recognise that the new information is related to what they already know, or that new information is incompatible with their existing knowledge and that their own ideas are flawd or incomplete." Dewey (1933:52) also refers to the use of knowledge or actions when he states: "All learning is a continuous process of discovering insights, inventing new possibilities for action, producing the actions and observing the consequences leading to insights."

Learning occurs when knowledge processes (creation, sharing, use of knowledge) are performed and the knowledge which the executives, managers and employees possess increases. The nature and scope of the training (traditional *versus* strategic) to which executives, managers and employees is exposed will therefore determine the nature and scope of learning (traditional *versus* strategic) which takes place during the training process or the nature and scope of knowledge which is created and shared and that will ultimately be used by executives, managers and employees in the performance of their respective jobs.

Executives and managers that are responsible for strategic processes in companies must therefore be exposed to processes such as traditional and strategic training during which knowledge processes in terms of the current and emergent strategic orientation of the company take place.

According to Rothwell and Kazanas (1994:433-434) strategic training manifests in two types of training, namely "non-directive" training and "directive" training. These authors are of the opinion that learning that takes place through non-directive training focuses primarily on the creation of knowledge, whilst learning that takes place through directive training focuses primarily on the sharing of knowledge. Rothwell

and Kazanas state: "*Nondirective training* produces new information. It fosters the sharing of insights, ideas, and innovative techniques among learners. *Directive training* is designed and delivered in anticipation of a future need."

Chapter 3 presents a brief overview of the training infrastructure that should be present to enable directive as well as non-directive training in terms of the emergent strategic orientation of the company. The training infrastructure of a company consists of a variety of components, including a curriculum which provides an indication of the nature and scope of training programmes which is offered by companies, the use of various instructional media and methods, and also calls for the effectiveness and relevance of training to be determined for the company. Companies also make use of various training units and corporate universities as well as external providers of training, such as business schools and consulting firms, to be responsible for the training or even aspects of the training that they provide to executives, managers and employees. However, none of the components of the training infrastructure can ensure the success of training if the outcome or goal that is to be achieved through training is not used as point of departure in its planning, design and development.

The purpose of traditional and strategic training is to address the needs of executives and managers in terms of their ability to give effect to the current as well as the emergent strategic orientation of the company. Once the training needs of executives and managers have been addressed by means of strategic training, the process should be cascaded down through the company in order to include employees that function at operational levels. This would prepare them for "future job performance". Rothwell and Kazanas (1994:425) state: "Strategic training requires HRD practitioners and managers to envision what future job performance should be under future conditions and prepare people for those conditions." Strategic training must, however, be such that it provides for the needs of executives and managers as they emerge from all four (known, knowable, complex and chaotic) domains that characterise the strategic environment of companies [See Chapter 2].

3.2 THE RELATIONSHIP BETWEEN KNOWLEDGE PROCESSES, LEARNING AND TRAINING

Companies must create an environment in which strategic training can be used in order for knowledge processes regarding the emergent strategic orientation of the company to be given effect. Knowledge processes are performed when:

- Knowledge is created or generated.
- Knowledge is codified or captured.
- Knowledge is shared, distributed or disseminated.
- Knowledge is organised.
- Knowledge is used or applied.

Learning takes place if the knowledge of executives and managers increases by way of knowledge creation, sharing and use. During training knowledge is created and shared between executives, managers and employees. Eventually, the knowledge which has been created and shared during the training process will be applied within a particular work setting. The codification and organisation of knowledge takes place "outside" of executives, managers and employees and requires the presence of particular media as intermediary.

Strategic training is a process which enables executives and managers to perform knowledge processes regarding the emergent strategic orientation of the company. During the application of a strategic training process executives and managers in particular are empowered to learn in terms of the emergent strategic orientation of the company. The environment in which strategic training takes place must be such that it promotes and supports a strategic training process. It is therefore of crucial importance that companies are fully aware of the real meaning of the concept "strategic training " and the nature and scope of a strategic training process.

Furthermore, companies should create a training infrastructure which is conducive to a strategic training process.

Nonaka (1991:22) explains the importance for companies to "learn" or to perform knowledge processes: "In an economy where the only certainty is uncertainty, the one sure source of lasting competitive advantage is knowledge. When markets shift, technologies proliferate, competitors multiply, and products become obsolete almost overnight, successful companies are those that consistently create new knowledge, disseminate it widely throughout the organization, and quickly embody it in new technologies and products".

Knowledge processes and specifically the creation, sharing and use of knowledge are largely supported by four activities or modes of knowledge conversion (Dalkir, 2005:53). These activities are known as socialisation, externalisation, internalisation and combination. The literature often refers to these four activities as the SECI model or the knowledge spiral (Darroch & McNaughton, 2002:231; Nonaka & Takeuchi, 1995:56; Srikantaiah, 2004:366).

Socialisation: This activity entails the transfer of tacit knowledge between the trainer and learner(s) and/or between individual learners. During socialisation tacit knowledge is not transformed into explicit knowledge. Knowledge it thus not articulated or encoded. The transfer of knowledge takes place mainly through techniques such as imitation, observation and practice (Nonaka, 1991:28). Nonaka and Konno (1998:40) explain: "We use the term socialization to emphasize that tacit knowledge is exchanged through joint activities – such as being together, spending time, living in the same environment – rather than through written or verbal instructions." The learner's personal knowledge base increases due to the "new" knowledge he has acquired. This knowledge is, however, only available to the learner and does not form part of the knowledge base of the company (Nonaka, 1991:28; Darroch & McNaughton, 2002:231).

Externalisation: This activity entails the conversion of the tacit knowledge of the trainer and/or individual learner(s) into explicit knowledge. During this process tacit knowledge is articulated and can thus be shared with other learners and/or individuals.

Nonaka and Konno (1998:43) explain: "During the externalization stage of the knowledge-creation process, an individual commits to the group and thus becomes one with the group. The sum of the individuals' intentions and ideas fuse and become integrated with the group's mental world." Knowledge is shared through a variety of structured (for example communities of practice, expert forums, training, meetings, thinktanks, knowledge cafes) or unstructured techniques (for example discussions, watercoolers) and the use of a variety of media. Knowledge does not only form part of the personal knowledge base of the trainer or learner, but is now shared with other learners and is part of the knowledge base of the company (Nonaka, 1991:29; Darroch & McNaughton, 2002:232).

Combination: This activity entails that discrete parts of explicit knowledge are combined and integrated in order to form a more complex whole. Combination also entails that knowledge that was created during the externalisation activity is disseminated or diffused throughout the company (Nonaka & Konno, 1998:44). "New" explicit knowledge can be created through this activity but contributes to the expansion of the knowledge base of the learner and not of the company (Nonaka, 1991:29; Darroch & McNaughton, 2002:233).

Internalisation: This activity entails the conversion of the explicit knowledge of the trainer and/or individual learner(s) into tacit knowledge (Darroch & McNaughton, 2002:233). During this process explicit knowledge is internalised and the personal knowledge base of the learner is expanded by the "new" knowledge he has acquired. Nonaka and Konno (1998:45) explain: "This requires the individual to identify the knowledge relevant for one's self within the organizational knowledge." If the learner does not internalise the knowledge that has been transferred to him, learning does not take place.

The challenge for companies is to create an environment in which all four of the activities included in the SECI model are enabled in order for individual learners to share their personal knowledge with one another for the benefit of the company (Nonaka, 1991:29). Nonaka and Takeuchi (1995:239) state: "Knowledge is created only by individuals. An organization cannot create knowledge on its own without individuals. Organizational knowledge creation should be understood as a process that

organizationally amplifies the knowledge created by individuals and crystallizes it at the group level through dialogue, discussion, experience sharing, or observation." Ahmed, Kok and Loh (2002:16) confirm the opinion of Nonaka and Takeuchi (1995:239) and explain: "Organizational learning therefore seeks to describe a process of increasing the overall performance of an organization by encouraging knowledge creation and use in each of its value chain functions, in order to render each a source of competitive advantage or core competence."

Rademakers and Velthuis (2001:7) refer to five aspects that companies should take into account to ensure that the environment in which knowledge processes are performed is suitable. These aspects are:

- "What kind of knowledge does the company need to achieve its business objectives?
- How to organize the creation of new knowledge?
- How to organize the exchange of knowledge?
- How to transfer knowledge and skills to employees?
- Which organizational conditions are needed to facilitate knowledge creation, exchange and transfer?"

The challenge for companies in respect of the implementation of knowledge processes through strategic training arises from the following definition of Rothwell and Kazanas (1994:424): "Instead of bringing individual performance into compliance with organizational policies, procedures, work methods, and cultural requirements, training becomes a vehicle for anticipating future environmental requirements. As environmental conditions change, the organization and individuals gradually learn how to behave so as to meet new requirements."

Strategic training requires that companies should, within the framework of the SECI model, perform knowledge processes pertaining to the current but particularly also the emergent strategic orientation emanating from both the ordered (known and knowable) domains as well as the un-ordered (complex and chaotic) domains within their strategic environment. Dealtry (2000:221) explains: "…managers obviously must acquire deep skills in appraising competitive and environmental change dynamics that are directly related to their particular managerial responsibilities. They must be properly trained and experienced in reading the emergent management issues and know-how to generate tactical and strategic responses." However, executives and managers should not only be trained in terms of "reading the emergent management issues and know-how to generate" or formulate "tactical and strategic" responses but they should also be trained in terms of the implementation of these responses in both the ordered and un-ordered domains of the strategic environment of companies. The implementation of "tactical and strategic" responses requires the identification of the the training needs of executives and managers. If the training needs of executives and managers are addressed they would acquire the necessary skills to enable them to manage effectively both currently as well as in the future. Training needs which originate from the current strategic orientation of the company are known as traditional training needs while training needs which originate from the emergent strategic orientation of the company are known as strategic training needs. During a strategic training process executives and managers learn about the emergent strategic orientation of the company and thus perform knowledge processes regarding the emergent strategic orientation of the company. A different process should however, be followed when executives and managers perform knowledge processes in terms of the un-ordered domains which are more emergent in nature than the traditional approach followed in respect of human resource development.

Meister (1998:48) explains that the creation of opportunities for learning – or an environment that is conducive to learning – does not necessarily mean that learning will take place and that learners should develop the ability to learn: "Companies must therefore go beyond creating opportunities for learning in the classroom or even at the computer. Instead, organizations committed to learning must help both individuals and employee teams develop the capacity to learn." However, before the individual develops the ability to learn there should be clarity on the specific nature and scope of

that which the learner should learn and the approach to be used to ensure that the learner is able to learn.

Learning is characterised by three "types" of learning, namely: "single loop learning, double loop learning" and "triple loop learning".

Single loop learning: "In single loop learning the underlying rules of the company is scarcely if ever questioned. No significant changes take place in strategy, structure, culture or systems" (Prestoungrange, Sandelands & Teare, 2000:216). This type of learning is characteristic of the known and knowable domains of the strategic environment of companies. In the known domain decisions are based on established knowledge captured and codified in systems, sources and services in the company. In the knowable domain decisions are based on the established knowledge of specialists and analysts. Training needs of executives, managers and employees are to a large extent addressed by means of existing training programmes and by means of the traditional method of human resource development. Training focuses on the sharing of existing knowledge (directive in nature) rather than on creating new knowledge (non-directive in nature) in terms of the strategy, structure, culture or systems of the company.

Double loop learning: "Double-loop learning is usually needed when external signals indicate that adjustment of the rules alone is no longer enough" (Prestoungrange, Sandelands & Teare, 2000:216). Argyris (cited in Van Dyk *et al.,* 2001:128) gives the following explanation: "…double-loop learning is the detection and correction of error that requires changes in the governing values." This type of learning is characteristic of the complex and chaotic domains since decisions in these domains are not based on established knowledge but rather on newly emerging patterns (complex domain) or immediate actions (chaotic domain). This explains why the established knowledge or experience of managers and employees cannot be used as a point of departure when they are trained to function effectively in these domains. Nel *et al*. (2001:569) is of the opinion that: "Many people believe that 95 per cent of all learning occurs through experience. The trouble is, however, that experience is not always appropriate in preparing for the future." Executives and managers involved in strategic processes thus become aware of strategic training needs as they formulate

the emerging strategic orientation of the company. These strategic training needs have to be addressed by means of training programmes which are highly customised according to the specific strategic orientation of the company. Due to the highly customised nature and scope of these training programmes existing programmes cannot always address the strategic training needs of executives and managers in an adequate manner.

Triple loop learning: "Triple loop learning can be described as development. It is the development of new principles with which an organization can move on to a new phase." (Prestoungrange, Sandelands & Teare, 2000:217). Triple loop learning is regarded as the creation of awareness by executives and managers involved in strategic processes regarding the unique nature and scope of each of the four domains in the strategic environment of the company, and the effect of these domains on the current and emergent strategic orientation of the company. It also entails the creation of awareness of the existence of certain strategic training needs and the necessity of a training process that makes provision for addressing these needs.

When conducting knowledge processes, or for learning to occur, it is necessary to develop the ability of executives, managers and employees to learn as well as to have a training process in place which enables learning. However, it is also necessary to create a training infrastructure that supports the learning activity as well as the training process. The type of training process which is used, and the nature of the training infrastructure is determined by the purpose or outcome that should be achieved through training, or rather whether the training process should address the traditional or strategic training needs of executives, managers and employees and this whether executives, managers and employees should learn in terms of the current or emergent strategic orientation of the company.

3.3 THE PHILOSOPHY, POLICY AND STRATEGY OF THE COMPANY WITH REGARD TO TRAINING

The manner in which learning is enabled by companies should manifest in a philosophy, policy and strategy with regard to training that is followed by the

company (Killian, 2000:5; Telkom Centre for Learning and Organisational Capacity, 2004:5, Van Dyk *et al*., 2001:83-89).

The training philosophy "can be described as the managerial attitude (either proactice or reactive), or perception, of the importance of its human resources potential to enhance company goal achievement by means of capital investment in the training and development efforts of the company." The training philosophy provides an indication of the perspective of the company on training or the culture of the company regarding training (Van Dyk *et al*., 2001:84). According to Killian (2000:5), Rademakers and Velthuis (2001:5) as well as Wheeler (2001:4) the training philosophy include aspects such as:

- Assumption made by the company regarding the development of human resources.

- Principles that should be present in order to lead to the establishment of a learning culture in the company.

Companies often make use of a training philosophy in conjunction with the training strategy to enable learning. Killian (2000:4) refers to the lack of a training strategy and/or training philosophy in a large South African financial institution in the following manner: "A Group learning strategy and/or learning philosophy, supported by learning governance principles do not exist."

The examples of training philosophies and training strategies provided by Meister (1998:67) and the Telkom Centre for Learning and Organisational Capacity (2004:5), however, indicate that a clear distinction cannot always be made between the nature and scope of a training philosophy and a training strategy. Killian (2000:5) explains that a training philosophy can even form a component of a training strategy: "The key elements of such a learning strategy would be to: Develop a learning philosophy and supporting governance principles that will enable the organization to instill a culture of learning."

The training philosophy should be supported by the training policy. Van Dyl *et al.* (2001:85) explain: "The success of training and development efforts in companies is theoretically based on the company's official training and development policy. Underlying such a policy is a certain philosophy." The purpose of the training policy "is to provide advice, opportunities, facilities, and financial support to enable employees of the company:

- to acquire the skills, knowledge, and related qualifications needed to perform effectively the duties and tasks for which they are employed;

- to develop their potential to meet the future human resource needs of the company;

- in exceptional cases to develop individuals beyond the immediate and foreseeable needs of the organisation." (Van Dyk *et al*., 2001:86).

From the statement by Van Dyk *et al.* (2001:86) it is evident that the training policy of the company should indicate the type of training process (traditional *versus* strategic) which is used by the company. Furthermore the training policy provides an indication of the manner in which these training processes and the training infrastructure are employed to address the traditional and strategic training needs of executives, managers and employees.

Killian (2000:5), Rademakers and Velthuis (2001:5) as well as Wheeler (2001:4) are of the opinion that the training strategy explains the manner in which training is addressed within the company however, the manner in which training is addressed within the company should rather be addressed in the training policy. The following aspects should be included in the training policy:

- The connection between the grand strategy and the strategic orientation of the company and training.

- The current and future knowledge needs that should be addressed in order to achieve the current and the emergent strategic orientation of the company.

- The knowledge that is currently available within the company.

- Guidelines followed to ensure that training takes place with due consideration of relevant training related legislation.

- Clarification of the manner in which the generic and more specialised training needs of executives, managers and employees are addressed through the curriculum followed in the company.

- An indication of the positioning of training or the training unit within the company, in other words whether the responsibility for training will be centralised and/or decentralised.

- The instructional methods and media that enable training.

- The manner in which the effectiveness and relevance of training programmes are determined and that thus serve as an indication of the value of training for the company.

The training philosophy, policy and strategy should be closely aligned with the current and the emergent strategic orientation of the company. However, the training strategy should also be aligned or linked to other functional strategies or "to the different part-strategies of the functional units of the organisation" including the knowledge management strategy, in order to ensure that training occurs in an effective and relevant manner and that the traditional and strategic training needs of executives, managers and employees are identified and addressed (Van Dyk *et al.*, 2001:88). The training strategy is an "enabling strategy, that is, it enables (or is supposed to enable) the different functional subsystems (for example, production, marketing and finance) to improve the shortcomings of their human resources potential." (Van Dyk *et al.*, 2001:88).

3.4 THE NATURE AND SCOPE OF THE CURRICULA

The nature and scope of the curricula or instructional plan according to which the training of executives, managers and employees is made possible usually flow from the responsibilities of the executives, managers and employees as set out in a particular job description. The curricula therefore provide an indication of the training which are offered to executives, managers and employees and thus of the learning that will occur as a result of the training process.

In the case of employees, the curricula focus mainly on the execution of knowledge processes in order to result in an increase in the task related skills of employees. Van Dyk *et al.* (2001:86) explain: "Because members at lower levels of the organisation work more with people (as one of the factors of production) than top management, it is essential that these members receive a greater measure of training in leadership behaviour, team building, and group utilisation (job content training"). However, in the case of executives and managers the curricula must focus on the execution of knowledge processes in order to result in an increase in managerial skills including the ability to formulate and implement the strategic orientation of the company. Van Dyk *et al*. (2001:86) explain: "Conversely, top management has a larger management task than the middle and lower levels and, therefore, the relationship between management skills and leadership skills is reversed, although the job content training at all levels remains practically the same." [See Figure 3.1].

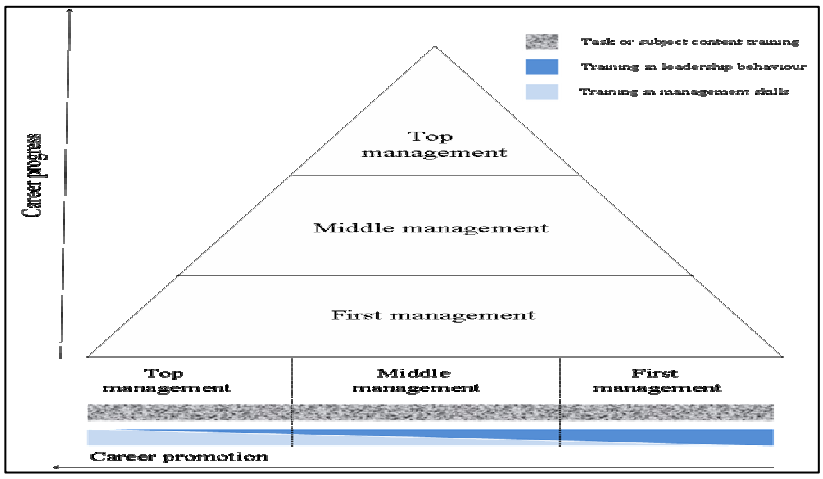


Figure 3.1 A theoretical basis for a training and development philosophy (Van Dyk *et al*., 2001:88)

Training in terms of the above-mentioned skills should be presented from the perspective of the current as well as the emergent strategic orientation of the company as arising from all four the domains that in the strategic environment of companies. The development of executives, managers and employees in terms of their ability to give effect to the emergent strategic orientation of the company is addressed through strategic human resource development [See Chapter 4].

The specific method of strategic human resource development that provides for the development of executives, managers and employees in terms of the skills they will require for effective performance in the future and to contribute to the continuing competitiveness of the company is known as strategic training.

It is therefore of vital importance that the curricula of companies make provision for the training of executives, managers and employees in terms of the skills that they need currently as well as in the future. However, before the curricula are designed and developed it is necessary to conduct a needs assessment to identify the current as well as the future training needs of executives and managers in particular since they are responsible for strategic processes.

Rothwell and Kazanas (1994:429) explain: "…strategic training needs assessment identifies possible future discrepancies between what employees know or do at present and what they should know or do in the future. Instruction [or the curriculum] is then designed to anticipate future discrepancies between *what is at present and what should be in future*." The authors also explain that the same data collection approaches [management requests, record and report reviews, informal group discussions, questionnaires, observations/interviews] which are used for traditional training needs assessment can also be used for strategic training needs assessment. However, Rothwell and Kazanas (1994:430) also state: "The key difference between traditional and strategic needs assessment approaches really has to do with *what questions are asked*, not so much with *what data are collected*."

There should, however, be a fundamental difference in the nature and scope of the curricula that are used to address the current or traditional training needs and the emergent or strategic training needs of executives, managers and employees.

3.5 CORPORATE UNIVERSITIES IN RELATION TO EXTERNAL PROVIDERS OF TRAINING

Companies often make use of external providers of training such as business schools and consulting firms to enable learning and thus to assume responsibility for training programmes or parts of training programmes, especially for the development of executives and managers in the company (Arnone, 1998:204; Harris, 2001:2; Yanovsky, 2001:1; Anderson, 2002a; Anderson, 2002b).

Moore and Dean (1999) explain that business schools add value in terms of talent and consulting firms in terms of process. They define talent as follows: "The ability to attract thought leaders, to broker talent, and to provide coaching and mentoring." The value of consulting firms is: "the ability to provide global reach, respond to rapid cycle times, and bring technology to bear on executive education."

Business schools thus offer companies access to individuals who have the talent to think and show insight in the strategic and operational processes of companies. These individuals are often also used as mentors and trainers of managers in companies (Moore & Dean, 1999). Consulting firms possess the processes to develop training programmes quickly and to introduce them on a global scale with due consideration of the needs of individual companies (Moore & Dean, 1999).

However, since it is essential that the content of training programmes should be aligned with the current as well as the emergent strategic orientation of the company Meyer (2004:10) recommends the use of a corporate university rather than a business school to address the training needs of especially executives and managers responsible for strategic processes. He explains: "Increasingly organizations are demanding that such [executive education programmes] are innovative and meet the requirements for learning. Sadly, many South African business schools are still focusing on providing 'vanilla' offerings with little innovation and a reluctance to

customise existing programmes to meet customer needs." Birkin (2006:44) also mentions the lack of alignment between training offered by business schools and the strategic orientation of companies. He states: "So what is currently taught has suited their [companies] clients very well, but they [companies] too have realised that what the business schools teach today falls short of what they want their managers to know." Birkin (2006:44) explains: They [companies] have, not surprisingly, arrangements with many local business schools. But the crux is that they have commented that one of the major reasons why they want their own establishment is because they believe that 'commodity courses' offered at most quality business schools as not providing enough of the kind of knowledge that would make a competitive difference to companies."

According to Moore and Dean (1999) corporate universities add value to a training process in that this type of training unit has an impact on the effectiveness of the company. Moore and Dean (1999) give the following explanation: "The ability to integrate executive education with other executive development activities and to have an impact on business results." Thygerson (2000:71) concurs and describe corporate universities in the following manner: "A function or department that is strategically oriented toward integrating the development of people as individuals with their performance as teams and ultimately as an entire organization by linking with suppliers, by conducting wide-ranging research, facilitating the delivery of content, and leading the effort to build a superior leadership team." The views of Moore and Dean (1999) and Thygerson (2000:71) are also confirmed by Meister (1998:215) and the Global Learning Resources (2001).

Arnone (1998:199) is of the opinion that corporate universities are often established because business units that are responsible for human resource development are unable to address all training needs adequately. Some companies even use the term "corporate university" to refer to the business unit responsible for human resource development, but the nature and scope of the training does not directly relate to the current and emergent strategic orientation of the company and can thus not be regarded as strategic training. Phillips (2004) explains the importance of clarifying the role of the corporate university as opposed to the role of a training unit. He states: "Sometimes there is confusion as to the products and services provided by a corporate

university when compared to other learning units. When there are unclear expectations, roles and objectives, the corporate university is perceived as just another channel for training and not a strategic player in the organization game."

Corporate universities differ from training units in terms of a variety of characteristics including focus, scope, enrollment and image (Meister, 1998:23; Gallagher, 2000). The characteristics which differentiate training units from corporate universities are summarised in Table 3.1.

Characteristic	**Training unit**	**Corporate university**
Focus	Reactive	Proactive
Organisation	Fragmented and decentraliced	Cohesive and centralized
Scope	Tactical	Strategic
Ownership	Little/none	Management and employees
Delivery	Instructor-led	Experience with various instructional methods and media
Governance	Training director	Business unit managers
Audience	Limited to company	Company and value chain
Enrollment	Open enrollment	Just-in-time learning
Outcome	Increase in job skills	Increase in performance on-the-job
Operation	Operates as a staff function	Operates as a business unit
Image	"Go get trained"	"University as a metaphor for learning"
Marketing	Trainer dictated	Consultative selling

Table 3.1 Differences between training units and corporate universities

The effectiveness of corporate universities is ascribed to a variety of factors. These factors are:

- Corporate universities enter into learning partnerships with consulting firms and business schools for the design, development and presentation of training (Arnone, 1998:201; Fulmer & Gibbs, 1998:178; Moore & Dean, 1999; Shah *et al*., 2001:22; Corporate University Xchange, 2002b:1).

- The nature and scope of corporate universities provide for executives and managers to be involved in the design, development and particularly the presentation of training. This ensures that the training is aligned with the current and emergent strategic orientation of the company (Meister, 1998:236).

- Corporate universities support the execution of knowledge processes and enable the conversion of the individual executive, manager and employee's knowledge into the collective knowledge of the company (European Foundation for Management Development, 2000:1). Maybeck (cited in Anderson, 2002a) explains: "Learning is of no value unless it is applied to the business and transferred to other employees. And it is really knowledge transfer that makes a company successful. Corporate universities are vital for this knowledge management and for nurturing a company's intellectual capital."

- Corporate universities are based on the principle of continuing education or lifelong learning. Consequently executives, managers and employees are trained in terms of the current and emergent strategic orientation of the company on a continuing basis. Weeks (2000:16) gives the following description of the value of continuing training for the company: "It is a world where the skills and knowledge of a passing generation will need to make way for a century of lifelong learning as, what worked yesterday, may no longer be effective today and will in many instances no longer be appropriate for dealing with the challenges of tomorrow."

- Corporate universities manifest in various ways according to the unique needs of the company. Some companies therefore use a physical campus whilst others prefer a virtual campus. A virtual campus involves training through various mediums of instruction: "Instead of having instructor-led classes, programs are relying more on self-paced CD-ROM instruction, audio or video cassette learning, and even Intranet and Internet education, with classes and discussion periods held in special online chat rooms." (Fulmer & Gibbs, 1998:179; Stuart, 1999; Shah *et al*., 2001:2).

- Corporate universities provide training to their value chain (clients, customers, suppliers, dealers, manufacturers) (Moore & Dean, 1999). The benefits of including the value chain in training are:

    - "Greater understanding of client needs
    - Opening the door to sales of company products and services
    - Additional resources for continual improvement of internal training programs
    - Better community relations, especially improving the local labor pool
    - Decreased customer service costs
    - Improved product quality
    - Faster return on investments in training facilities (hardware, software, builings)
    - Increased returns on investments in intellectual capital (courseware development)." (Montague Institute Review, 1997)

Corporate universities are an example of a training unit used by companies to address the training needs of executives and managers and employees which relate to the strategic orientation of the company. The training offered at corporate universities is customised in terms of the strategic orientation of the company. The curricula of corporate universities address the training needs of employees in terms of operational skills however, the training needs of executives and managers which are responsible for strategic processes should form an important part of the curricula of corporate universities. The curricula of corporate universities therefore make provision for the training needs of executives, managers and employees. Tanner (2003:1) explains: "…training programs fall into three broad categories. There are business-specific classes like teller training; organizational learning and effectiveness classes that include communications; and management and executive training."

The curricula of corporate universities as described by Meister (1998:39), Dealtry (2000:221), Corporate University Xchange (2002c:1), Heuser and Sattelberger (2001:1), Wheeler (2001:14) and Wicks (2001:29) provide an indication of the manner in which the curricula of corporate universities address the training needs of employees but more importantly the needs of executives and managers of large companies.

Dealtry (2000:221) explains: "A very valuable contribution of a CU [corporate university] function would be to design and deliver platforms of managerial development and training that are essential to achieving strategic fit. Examples would include: acquiring high level learning to learn skills; learning to read issue dynamics skills; learning about how to manage macro/micro politics; and learning to take effective change action." Heuser and Sattelberger (2001:1) support Dealtry's (2000:221) perspective and state as follows: "In particular, they are not directed at teaching of academic or technical knowledge but organize individual and organizational development along business-defined processes. Corporate universities define their activities less via the transfer of contents, but rather via their contribution to the solution of company-relevant problems; the transfer of contents is controlled instrumentally by their relevance for processes and solutions."

Meister (1998:39) explains that the curricula that are used by corporate universities mostly address the following three aspects. The cultivation of corporate citizenship, contextual framework and training in terms of the core skills which executives, managers and employees should possess. Some of the aspects indicated by Meister (1998:39) relate to executives and managers as well as employees while others relate more to executives and managers than to employees. Each of these aspects is briefly discussed below:

Corporate citizenship: Employees are made aware of the culture, values, traditions, vision and history of the company to enable them to identify with the company. This aspect develops employees to become "good citizens" of the company.

Contextual framework: Executives and managers as well as employees are made aware of the environment in which the company is situated, competitors, suppliers, clients, industry tends, business strategies and the company's products and services. Executives and managers and employees are also introduced to best practices used in other companies. Meister (1998:98) states: "…corporate performance is enhanced when all employees, not just management, operate from a shared vision about the organization's industry and the key players within it."

Core workplace competencies: Meister (1998:91) identifies some core skills which executives, managers and employees should have and that ought to be included in the curriculum of a corporate university:

- Learning to learn skills: Executives and managers must develop the skill to understand and manipulate new information. They must be able to internalise information or explicit knowledge and to apply it in the course of their work. Meister (1998:90) explains: "Knowing how to understand and manipulate new information quickly and confidently is a primary workplace competency. Showing a commitment to self-development, constantly improving one's ability to learn new skills and competencies, and being able to handle ambiguity and chaos within an organization are crucial learning skills." Learning to learn skills relate to executives, managers and employees.

- Communication and collaboration skills: Executives, managers and employees must develop the skill to communicate with fellow employees and clients. They must naturally also have the skill to work together in groups and/or teams.

- Creative thinking and problem-solving skills: Executives and managers must develop the skill to identify and define challenges. Furthermore, they must also be able to initiate and implement solutions and to evaluate the effectiveness of solutions. Meister (1998:110) states: "…managers are now involved in action learning exercises and computer simulations where they examine business strategies and recommend real-time solutions."

- Technological literacy: Meister (1998:91) emphasises the importance that employees have technological skills: "Being able to use technology to connect with team members, network with new professionals, and research the best practices of an organization, as well as what other companies and competitors are doing in the global marketplace, is essential."

- Global business literacy: Meister (1998:115) explains the goal of global business literacy: "…to focus on training top managers in a required set of formal learning programs in finance, strategic analysis, and leadership skills."

- Leadership development: Executives and managers must develop the skill of empowering fellow employees and encouraging groups of employees to achieve the current and emergent strategic orientation of the company. Executives and managers must thus develop the skill of giving guidance and taking the lead.

- Career self-management: Employees must have the skill to assume responsibility for the development of their careers and not merely rely on the company to present development opportunities to them.

The above-mentioned aspects also feature strongly in the curricula of corporate universities such as the Lufthansa Business School (Heuser & Sattelberger, 2001:4) as well as Infosys University (Corporate University Xchange, 2002c:1). However, Heuser and Sattelberger (2001:4), Wheeler (2001:14) as well as Wicks (2001:29) are of the opinion that the curricula of corporate universities should also provide for the development of the ability by executives and managers to effect change and renewal in a company.

To confirm the above a survey conducted by the Corporate University Xchange during 2002 (2002b:8) found that the curricula of corporate universities mainly address the development of three types of skills, namely: "soft skills, management skills and work-related or operational skills."

The Corporate University Xchange (2002b:8) study revealed the following: "More than half the participating organizations have curricula that develop five or more soft skills, most often including (in descending order):

- Communication skills
- Leadership development
- Team development and collaboration
- New hire orientation
- Decision making skills
- Negotiation skills"

Some of the above-mentioned skills such as decision making and negotiation skills relate more to executives and managers than skills such as new hire orientation and indicate that the curricula of corporate universities make provision for the training of executives, managers and employees.

The curriculum of a corporate university of a financial institution in South Africa includes the following programmes (Old Mutual, 2000b):

- Leadership development. This programme includes topics such as leading global growth, leading organisational growth and leading business growth and is aimed at executives and managers.

- Business acumen: This programme includes topics such as business theories for strategic management, business concepts for managers, business basics and operational business skills. The programme is aimed at managers and employees.

- Service excellence: This programme includes topics such as service excellence for strategic management, service excellence for operational management, service excellence for supervisory management and is aimed at managers and employees.

- Effective people and teams: This programme includes topics such as group orientation, communicating from success, dealing with diversity and advanced interaction skills and is aimed at executives, managers and employees who need to develop their interpersonal skills.

Obviously the curricula of corporate universities and other units responsible for training in companies will have some similarities. The most important prerequisite of the curricula is, however, that it should make provision for training programmes that relate to the current as well as the emergent strategic orientation of the company. It is therefore important that the curricula are adaptable and flexible to make provision for the divergent nature of the strategic environment in which companies could possibly find themselves.

Corporate universities can be regarded as a mechanism to enable the strategic as well as traditional training of executives, managers and employees. However, Rademakers

and Huizinga (2000:18) states: "…the question remains as to what extent corporate universities really manage to involve top management and relate their programs to corporate strategy in a direct, deep and durable manner."

Rowles (2002:38) describes the use of corporate universities by South African companies and mention the use of the services of external providers of training by South African companies. "There has also been a trend for many large corporates to reduce their own in-house training resources quite substantially and to rely instead on specialist corporate training providers." Rowles (2002:38) further expresses the opinion that corporate universities are not often used by South African companies. He ascribes this to the "massive infrastructural and specialized fixed resources costs required for this." The use of corporate universities and external providers of training by large South African companies are discussed in Chapter 6.

3.6 THE INSTRUCTIONAL METHODS AND MEDIA THAT ENABLE TRAINING

A divergent variety of instructional methods and media can be used during training to support learning. However, the outcome or purpose that must be achieved through the training must in all cases serve as the point of departure for choosing the type of instructional methods and media to be used to support learning (Meister, 1998:134).

Instructional methods are ways that instruction is presented to students or the manner in which companies enable learners to acquire knowledge and skills. Companies mostly use the following three types of instructional methods to support learning, namely:

- Classroom-based learning
- Technology-based learning
- Blended learning

3.6.1 Classroom-based learning

Classroom-based learning entails that learning is supported in the traditional environment of a classroom and is in some instances characterised by a largely active role played by the trainer and a more passive role assumed by the learner. In the classroom environment learning is supported by means of techniques such as lectures, role-play, case studies, problem-solving sessions, discussion groups, self-study, workshops, action learning as well as the use of narrative techniques such as storytelling. Robinson (2000:35) specifically refers to the manner in which classroom-based learning supports the execution of knowledge processes: "Humans to a large degree are social animals and education is not merely the acquisition of new information and skills, but a social activity where skills and knowledge are debated, practiced and demonstrated."

The relatively high cost associated with the use of classroom-based learning should, however, be weighed up against the interactive nature of this type of instructional method in the case of strategic training. This is due to the fact that the interactive nature of this type of instructional method causes it to be regarded as a particularly suitable medium for the strategic training of executives and managers.

3.6.2 Technology-based learning

A divergent variety of technology is available to make technology-based learning possible. Often a combination of technology is used to properly support learning. If a company should decide to use technology-based rather than classroom-based learning, they must develop a set of criteria according to which a single type or combination of technology is decided upon. The advantages and disadvantages associated with the use of each of these types of technologies must therefore be taken into consideration and be compared to one another before a final decision is made.

3.6.2.1 Types of technology

The different types of media found to enable technology-based learning include the use of compact disc, hard drive, digital versatile disc, electronic learning or e-learning and other types of training that are made possible through the Internet and intranet as

well as the use of audio and video cassettes (Wheeler, 2001:20-21; Malone, 2003:73). Meister (1998:136) also explains the value of using satellite communication for training: "Satellite-based learning can also provide a record of which students received the training and how well they mastered the course. It allows subject matter experts, located at the various sites (indeed, virtually anywhere in the world), to interact with the instructor, and it gives students an interactive, participative experience, that increases their retention of the material."

Technology-based learning also includes the use of knowledge databases that are available via the Internet. Knowledge databases focus on getting learners to converse with one another in the environment. The value of knowledge databases is explained as follows: "these knowledge databases go beyond e-mail to include strategic initiatives changing how companies operate. The goal of knowledge databases is to integrate scattered information and knowledge into an organization's collective wisdom (Meister, 1998:148)".

Increasingly, companies use e-learning as an instructional method as an alternative to classroom-based learning. According to Malone (2003:79) e-learning refers to training that is presented by way of a computer via the Internet or intranet. He regards the value of e-learning as follows: "E-learning brings us closer to the just-enough, just-in-time, and just-for-me paradigm. Employees want quick just-in-time training, and want to know how it will help them to do their jobs more effectively." (Malone, 2003:82). However, companies should consider the suitability of e-learning as an alternative to be used to all types of classroom-based learning. E-learning will, for example, have to be used with circumspection as an alternative to classroom-based learning during a strategic training process, since strategic training needs often emerge from a specific situation within which a company finds itself at that particular point in time. This implies that applicable e-learning programmes might not always be available to address the exact strategic training needs of executives, managers and employees.

Some advantages of the use of e-learning in terms of strategic training are:

- It is particularly suitable for the the adult learner since it largely requires the learning to learn independently.

- The use is not limited to a specific place or time and merely requires the availability of the necessary hardware and software.

- The content of training programmes can be updated with relative ease in order to ensure that the content remains relevant.

- The content and presentation are consistent since these aspects are not dependent on the interpretation and knowledge of the trainer or facilitator. This benefit does, however, not apply where the technology is dependent on a trainer or facilitator as in the case of training that is made possible through satellite communication.

- The training of learners and/or updating the existing skills of learners takes place more quickly through technology-based learning. Garger (1999) explains: "…in the new economy, some managers have outdated skills; others haven't had the time and experience needed to acquire them. Professional development software helps both groups of learners review, acquire or get up to speed more quickly." (Garger, 1999; Robinson, 2000:35; Malone, 2003:83).

Some disadvantages of the use of e-learning in terms of strategic training are:

- The use of e-learning implies that technology is the intermediary between the training programme and the learner rather than the trainer as is the case in the situation of classroom-based learning. The interaction that takes place between the trainer and learner in classroom-based learning is therefore not always possible with e-learning. This disadvantage gives rise to the fact that the use of blended learning is often preferred above the use of technology-based learning.

- Although Meister (1998:150) describes the suitability of the Internet as follows: "The appeal of the web for educating a work force is its ability to customize learning experiences for each individual's learning needs and preferences." Malone (2003:82) is of the opinion that the content of e-learning programmes is often of a very generic nature and not suitable to address all types of training needs. The use of e-learning is often less successful when, for example, training learners in soft skills such as teambuilding and the skills to act as mentor and establishing networks.

- Setting up the infrastructure for technology-based learning requires the training of large numbers of learners in order to ensure that the application of this instructional medium is cost-efficient for the company. Malone (2003:83) explains: "High costs and the lack of a cheap broadband infrastructure are still hampering the quality of e-learning programmes. The driving force behind most companies' investment in e-learning is cost saving. However, it is very expensive to develop and deliver. Cost savings are only achieved by very big organizations with large numbers of learners through economies of scale. Lamb (2002) reports that most users are multinational companies with more than 5000 employees."

- The nature of e-learning only to a lesser degree offers the opportunity to the learner to reflect on the content of the training programme according to Meister (1998:150) and Malone (2003:83).

Technology-based learning also includes the use of systems to manage and store the content of training programmes through learning content management systems, while the administration of training programmes is often made possible through a learning management system. Malone (2003:33) gives the following explanation of the purpose of a system to manage learning: "These [learning management systems] carry out all the recording necessary (such as time, type and description of course, and booth allocated) in booking learners' progress and recording loan-outs and returns of

books, audio, CD and video packages. They should facilitate the production of personal development plans and collaborative learning."

3.6.2.2 Criteria

The decision regarding the use of a particular type of technology or combination of technologies is based on various divergent criteria. These criteria entail:

- The use of technology should result in the specific training needs of learners being addressed and must offer a true reflection of the working environment of the learner.

- The nature and scope of the subject matter of the training programme must be successfully accommodated by the use of technology.

- The availability of funds will naturally have a determining influence in deciding on the technology that is to be used.

- The urgency of the need for a specific type of training programme and the time period available for designing and developing a training programme that addresses a particular training need will influence the decision on the type of technology and/or combination of technologies to be used.

- The number of learners to be trained should be taken into consideration when choosing the technology and/or combination of technologies to be used.

- The importance of knowledge processes for the company will entail that the technology and/or combination of technologies decided upon should support the execution of knowledge processes.

- The type of technology and/or combination of technologies to be used should be such that learners are enabled to gain access to training programmes and have the necessary skills to use it in order to make learning possible.

- The necessary technical support must be available in order to maintain the technology and to support learners in the use of the technology.

- The decision to use a particular type of technology and/or combination of technologies should largely be influenced by the outcome of the training opportunity (Meister, 1998:77, 134).

Further to the above generic criteria Henderson (cited in Meister, 1998:160-161) mentions some specific requirements that should be met by technology-based training programmes in order to address the training needs of executives and managers.

These training programmes must:

- Be based on challenges that are found in the actual working environment and of executives and managers and thus also the actual strategic environment of companies.

- Be presented from the perspective or context within which executive and managers find themselves as well as the domain (known, knowable, complex and chaos) in which the company find itself.

- Make it possible for executives and managers of different business units to share knowledge and thus to support the execution of knowledge processes.

- Increase the knowledge of executives and managers in a visible and measurable way.

Henderson (cited in Meister, 1998:162) states: "The key success factor for scores of corporations to emulate is the ability to involve participants in a process where they actively diagnose, discuss, and resolve actual business challenges as part of their leadership development program."

The training needs of companies are at times best addressed through a combination of classroom- and technology-based learning. This instructional medium is known as blended learning.

3.6.3 Blended learning

Blended learning is regarded as an instructional medium through which the characteristics of classroom-based and technology-based learning are combined. Wheeler (2001:24) describes blended learning as follows: "combining the best of online and instructor-led." Masie (cited in Clark, 2003:4) states: "Blended learning is the use of two or more distinct methods of training. This may include combinations such as: blending classroom instruction with online instruction, blending online instruction with access to coach or faculty member, blending simulations with structured courses
blending on-the-job training with brown bag informal sessions, blending managerial coaching with e-learning activities."

Blended learning often entails that classroom-based learning is preceded or finished off by technology-based learning. Learners are thus given the opportunity to acquire some introductory knowledge on the subject matter whereafter training on the subject matter is resumed by means of classroom-based learning using techniques such as case studies, discussion groups, simulations and lectures.

Blended learning also includes the use of collaborative learning methods. Collaborative learning methods focus on enabling group discussions in a real or virtual environment. This thus strongly enables and supports the creation and sharing of knowledge between learners.

Clark (2003:19) explains: Collaborative learning can include:

"Asynchronous (not in realtime) collaboration:

- e-mail

- bulletin boards

Synchronous (in realtime) collaboration:

- text chat
- application sharing
- audio conferencing
- video conferencing
- virtual classrooms"

Collaborative learning includes the use of illustrations, workshops, meetings and facilitated discussion groups and knowledge databases.

The importance of collaborative learning methods is explained as follows: "While technology can help spread knowledge, it still depends on the quality of the conversation these technologies support. Hence, the growing interest in developing collaborative learning technologies that illustrate an organization's business strategies and direction and provide an opportunity to engage in a dialogue that focuses on the organization's future" (Meister, 1998:145). The more interactive nature of collaborative learning methods and the manner in which these types of methods support the execution of especially the creation and sharing of knowledge imply that it can be incorporated into a strategic training process.

Blended learning results in a greater variety of training needs being addressed. The Corporate University Xchange (2002a:13) explains: "As corporate learning organizations become more comfortable with blended learning, soft skills training in areas such as management and leadership development will become more visible in e-

learning catalogs. Currently, e-learning courses for the most part focus on technical training topics, such as computer or IT-related topics, followed by functional training or topics specifically related to an e-learner's job, and soft skill training, such as leadership or management development." This statement by the Corporate University Xchange (2002b:13) was also expressed in by Garger in 1999.

The training processes which companies use to address the training needs of executives, managers and employees in terms of both the current as well as the emergent strategic orientation of the company must be enabled by the necessary instructional methods and media. The unique nature and scope of strategic training requires of instructional methods and media to:

- Provide a realistic representation of the strategic environment of companies.

- Address the strategic training needs of executives, managers and employees in terms of both the current as well as the emergent strategic orientation of companies.

- Enable and support knowledge processes to be conducted regarding the current and emergent strategic orientation of companies in an interactive manner.

- Reflect amendments in the strategic orientation of companies in a timely manner.

The above-mentioned requirements of companies in terms of the use of instructional methods and media for the strategic training of executives, managers and employees clearly indicate the importance of giving priority to the outcome or purpose of training when making decisions regarding the use of a specific type of technology during the training process. Rothwell and Kazanas (1994:434) state: The selection and use of appropriate delivery methods depends on the purpose of strategic training. When the purpose is purely directive, specific outcomes are desired. The choice of delivery methods is based on the same issues which are important in traditional

training: cost, time, skills of HRD staff, and available materials. If the purpose is purely nondirective, specific outcomes are not necessarily fixed. The learning event is a discovery session where new ideas are created and new learning needs are identified."

3.7 THE EFFECTIVENESS AND RELEVANCE OF TRAINING

The effectiveness and relevance of training should be evaluated in order to ascertain whether learning has occurred and thus the value of training processes for the company. The value of training is indicated in order to justify the investment of resources by the company in the training of employees. Malone (2003:24) explains: "Evaluation is the assessment of the total value of a training course in behavioural and financial terms."

Effective training implies that executives, managers and employees are able to apply the knowledge they have acquired during training in the performance their job. Training is regarded as relevant if it is aligned with the strategic orientation of the company. The manner in which the effectiveness and relevance of training is determined should correspond with the nature and scope as well as the outcome to be achieved with the training.

Rothwell and Kazanas (1994:476-486), Erasmus and Van Dyk (1999:193) as well as Van Dyk *et al*. (2001:229-231) identify some methods according to which training programmes are assessed in order to determine their effectiveness and relevance. It would appear that assessment mostly focuses on two components, namely: the nature and scope of the training programme and the effect of the training programme on executives, managers and employees.

3.7.1 Assessing the nature and scope of training programmes

Formative, summative and concurrent forms of evaluation focus on the nature and scope of the training programme.

- Formative evaluation: This type of evaluation is also known as developmental evaluation. The purpose of this type of evaluation is to obtain information on the nature and scope of a training programme in order to improve it. Van Dyk *et al*. (2001:229) states: "Formative evaluation is concerned with decisions while the instructional design is being developed and the materials produced."

- Summative evaluation: This type of evaluation is also known as product evaluation. The purpose of this type of evaluation is to determine whether the training programmes that have been offered succeeded in meeting the training needs of the company (Van Dyk *et al*., 2001:231).

- Concurrent evaluation: This type of evaluation takes place during the course of a training programme or after a particular component of a training programme. The purpose of this type of evaluation is to ascertain the reaction of executives, managers and employees to aspects such as the trainer, training methods, effectiveness of the training and the interaction between learners (Rothwell & Kazanas, 1994:483). Concurrent evaluation can be used as part of a summative assessment process or entirely separately from such assessment (Rothwell & Kazanas, 1994:483).

3.7.2 Assessing the effect of training programmes

Post-instructional evaluation, practical evaluation, front-end evaluation, testing and some aspects of concurrent evaluation focus on the effect of training on executives, managers and employees.

- Post-instructional evaluation: Kirkpatrick (cited in Erasmus & Van Dyk, 1999:196) explains that post-instructional evaluation indicates the results of a training programme in terms of four aspects, namely:

    - Reaction: This aspect determines whether executives, managers and employees have a positive or negative experience of the training programme;

- Learning: This aspect entails the measure of success executives, managers and employees experienced during the training programme;

- Performance: This aspect entails the measure in which executives, managers and employees could succeed in applying the content of the training programme in his/her work situation; and

- Results: This aspect entails the measure in which the productivity of executives, managers and employees has increased in the work situation.

Malone (2003:24) interprets post-instructional evaluation in terms of four questions, namely:

- What are the *opinion and attitudes* of executives, managers and employees to the learning experience?

- What *new knowledge, skills, attitudes and behaviours* have they acquired?

- Have they *applied* this knowledge, skills, attitudes and behaviours to their jobs?

- Have the *efficiency, effectiveness and profitability* of the company improved as a direct result?

- Practical evaluation: This type of evaluation entails that executives, managers and employees are evaluated in their work situation in order to determine whether there is a change in their performance and to what measure this change contributes to the competitiveness of the company (Erasmus & Van Dyk, 1999:196).

- Front-end evaluation: Rothwell and Kazanas (1994:476) explain that front-end evaluation entail the identification of a "precise performance deficiency" that impacts negatively on the performance of executives, managers and employees and ways in which this performance deficiencies should be addressed. Harless (cited in Rothwell & Kazanas, 1994:476) explains the purpose of "front-end evaluation" as follows: "It is necessary to clarify the precise nature of the performance problem, its cause(s), appropriate solutions, and costs of appropriate solutions."

- Testing: Rothwell and Kazanas (1994:478) express the use of testing as evaluation method as follows: "…a major purpose of testing is to measure how well trainees achieved terminal objectives upon course completion. It can also be used to screen trainees to ensure that they possess the necessary prerequisite skills to receive training or to measure their progress during training."

Meister (1998:79) is of the opinion that the value of training should be assessed in terms of three aspects, namely the employees, clients and the company:

- Employees: the impact of training on factors such as employee retention, job satisfaction and the degree of innovation of which employees are capable.

- Clients: the impact of training on factors such as client retention, satisfaction with the product or service of the company and the realisation of objectives.

- Company: the impact of training on the realisation of the strategies and objectives of the company.

As previously stated, training is assessed to determine its effectiveness and relevance irrespective of the type of training which is assessed. Meister (1998:79) justly explains in terms of the assessment of training: "The real action, of course, is around business impact measures, and those are highly customized. There is no recipe. If good quality training is offered to employees it contributes to the competitiveness of

the enterprise and is regarded as cost-effective." However, MacCracken and Wallace (2000a:467) discuss the assessment of strategic human resource development and thus also strategic training as follows: "The importance of cost-effective evaluation in the development of SHRD [strategic human resource development] should therefor be stressed. Paradoxically however, this emphasis on pay back calculations can lead to a concentration on achieving quantifiable results within a short time frame and it's vital not to undermine the importance of HRD [human resource development] as an investment with long term and less tangible benefits". Lee (1996:44) has the same opinion and states that companies that are regarded as mature in terms of training focus less on the cost effectiveness of training. This type of company regards training as successful if it promotes the company's ability to learn and to change. He explains: "Once organisations have reached a high level of maturity, it is suggested that senior management teams no longer need training to prove its worth because they already accept its value and contribution." This view of Lee (1996:44) is of particular relevance to strategic training since this type of training should be regarded as both a training process as well as an integral part of the strategic processes of companies.

However, if companies do assess the effectiveness and relevance of training programmes the methods which are used to assess these programmes should make provision for the nature and extent of the various training processes (traditional *versus* strategic) used by companies. This implies that training programmes should be assessed in order to determine whether it is effective and relevant in terms of the current and the emergent strategic orientation of companies. Rothwell and Kazanas (1994:479) explain the reasons why the effectiveness and relevance of strategic training cannot be measured in the same manner than traditional training. These authors are of the opinion that traditional training: "…tends to focus solely on terminal course objectives. When tests are geared to measuring end-of-unit (enabling) objectives or end-of–course (terminal) objectives alone, trainees are only held accountable for formal instruction. Testing which focuses on objectives of this kind makes trainers accountable for doing a good job, no doubt, but does not really hold trainees accountable for applying on the job what they learned in training." Rothwell and Kazanas (1994:479) also explain that traditional training "does not take into account changes in job conditions occurring over time." Traditional training "works well in settings where job conditions do not change much. It is not, however,

appropriate under fast-paced, rapidly changing conditions. In such cases, practitioners should prepare instructional objectives based on *predictions* of future job conditions. When that is done, test items have to be prepared accordingly." Rothwell and Kazanas (1994:478-486) explain the manner in which formative, summative, concurrent and post-instructional evaluation should be conducted to make provision for assessing the effectiveness and relevance of strategic training programmes.

3.8 CONCLUSION

Knowledge process and thus also learning should be enabled by the creation of a suitable training infrastructure. The creation of a suitable training infrastructure is only possible if the outcome or purpose of learning is used as the point of departure for the training of executives, managers and employees.

Garger (1999) explains the relationship between learning and training and the importance of training truly giving rise to learning as follows: "To retain key talent, remain competitive and ensure long-term profitability, organizations are making dramatic changes in the way they develop the knowledge and skills of their workforce. Training as something provided for employees will be replaced by learning that employees initiate themselves. Training, when available, will be replaced by learning, when needed. Training for the masses will be replaced by highly customized, just-for-me learning."

Learning in terms of the current strategic orientation of the company is enabled by a traditional training process while learning in terms of the emergent strategic orientation is enabled by a strategic training process. The purpose of strategic training and traditional training is therefore to enable executives and managers that are involved in strategic processes as well as the employees of the company to function effectively within all four the domains in the strategic environment of the company, and thus to enable the company to achieve its current as well as emergent strategic orientation [See Chapter 2].

Companies must see to it that a training infrastructure is created that will enable and support learning in terms of the current and emergent strategic orientation of the company.