

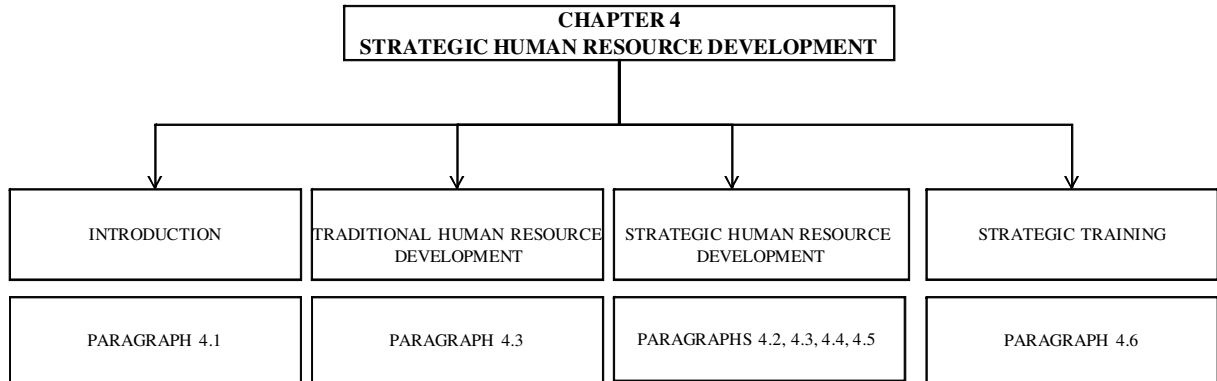


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CHAPTER 4

STRATEGIC HUMAN RESOURCE DEVELOPMENT

GRAPHICAL REPRESENTATION OF CHAPTER 4



4.1 INTRODUCTION

The human resources of companies must be developed in terms of the current and the emergent strategic orientation of the company.

The method according to which executives, managers and employees are equipped in terms of the current strategic orientation is known as traditional human resource development whilst strategic human resources development equips executives, managers and employees in terms of the emergent strategic orientation of the company. Naturally, the nature and purpose of these two methods of human resource development differ from one another, as do the processes used to give effect to these methods.

In Chapter 4 the concept “strategic human resource” is discussed in order to distinguish it from traditional human resource development. This discussion will include a brief overview of a few examples of future-oriented methods of human resource development such as strategic training. The discussion of strategic training will include the Rothwell and Kazanas model (1994) of strategic training and concludes with a brief overview of strategic training as well as the nature and scope of training needs of executives and managers in South African companies.

A strategic training process is used to equip executives, managers and employees for the changing nature of performance arising from the emergent strategic orientation of the company. Although it applies to all employees in the company, it is a process that is of fundamental importance to executives and managers involved in formulating and implementing the strategic orientation of the company. As expected the executives and managers must ensure that the current, but especially the future strategic orientation of the company is translated in terms of skills which employees will need to ensure their effective performance in future. The strategic training of employees commences with executives and managers communicating the emergent strategic orientation of the company to employees.

4.2 THE CONCEPT OF “STRATEGIC HUMAN RESOURCE DEVELOPMENT”

Strategic human resource development is a method in terms of which learning or the performing of knowledge processes (creation, sharing and use of knowledge) relating to the emergent strategic orientation of companies is made possible [See Chapter 3]. It focuses on the development of the skills that executives, managers and employees may require in future and is proactive in nature.

The strategic orientation of companies arises from the grand strategy of the company. The grand strategy of the company contains a statement of the activities in which the company is currently involved in and will in future possibly become involved in to ensure its continued competitiveness. The strategic orientation of the company contains an indication of the manner in which the company’s grand strategy is to be accomplished.

Some definitions of the concept “strategy” are:

“Strategy refers to the long-term plans developed by top management, usually for periods of two to ten years or even longer. These plans are used to evaluate and seize opportunities as well as to relocate resources. Strategy includes plans to create new products, to purchase other organizations, to sell unprofitable sections of the business, to make shares available, and to enter international markets.” (Nel *et al.*, 2001:556).

“Strategy’ in commercial terms is often associated with deployment of resources, outflanking the competition, establishing beachheads in the global marketplace, creating strategic alliances.” (Walton, 1999:14).

“It is a declaration of intent that defines means to achieve ends, and is concerned with the long-term allocation of significant company resources and with matching those resources and capabilities to the external environment.” (Armstrong, 2000:30).

Armstrong (2000:112) is of the opinion that the strategy of the company gives an indication of three aspects, namely domain, structures and systems as well as performance standards. In the definition by Armstrong (2000:112) the domain, structures and systems as well as performance standards have the following meaning:

- Domain refers to “type of industry, market, competitors, suppliers and, more generally, the limitations and constraints facing their organization.”
- Structures and systems refer to “choices made about how centralized, standardized and specialized an organization’s activities will be.”
- Performance standards which “partly determine the extent of flexibility an organization has within its economic environment.”

From the above-mentioned definitions it is clear that the strategy of a company and thus also the action plans to achieve the strategy, known as the strategic orientation of a company, should focus on the factors which are present in the strategic environment of companies currently as well as in the future. Furthermore, the Cynefin framework for organisational sense making indicates that these factors are divided amongst the known, knowable, complex and chaos domains in the strategic environment of companies. Each of these domains differs in terms of its characteristics and nature and thus influence the current and emergent strategic orientation of the company in a unique manner [See Chapter 2]. The manner in which the factors in each of the four domains influence the current and emergent strategic orientation of the company give rise to a variety of training needs by employees but more specifically executives and managers involved in strategic processes.

Only if the skills of executives, managers and employees are developed in terms of both their current as well as future performance will the continued competitiveness of the company be ensured. It is therefore necessary that companies should expose executives, managers and employees to both strategic and traditional methods of human resource

development. However, the uncertain and largely volatile nature of some of the domains in the strategic environment of companies places unique demands on the development of human resources and even more so in the case of the development of executives and managers in terms of the emergent strategic orientation of large companies.

4.3 TRADITIONAL HUMAN RESOURCE DEVELOPMENT *VERSUS* STRATEGIC HUMAN RESOURCE DEVELOPMENT

The grand strategy of the company and the strategic orientation of the company serve as point of departure for all forms of human resource development that take place in the company. The grand strategy of the company and the strategic orientation of the company manifest itself in a philosophy, policy and strategy in terms of which the human resources of the company are developed. The aim of the training philosophy, policy and strategy are to give an indication of the manner in which the skills of executives, managers and employees should be developed in order to give rise to current and future effective performance [See paragraph 3.3].

4.3.1 Traditional human resource development

The development of the skills of executives, managers and employees as they flow from the current strategic orientation of the company is known as traditional human resource development. The skills, in terms of which executives, managers and employees are developed during a traditional human resource development process, emerge from the current strategic orientation of the company and thus the job for which executives, managers and employees are currently responsible. Katz and Kahn (cited in Rothwell & Kazanas, 1994:17) describe this type of development process as follows: “When viewed in this traditional way, human resource development is a *maintenance subsystem*, intended to improve organizational efficiency by increasing routinization and predictability of human behavior. It facilitates socialization of newcomers into the corporate culture, work group, and job. In a sense traditional human resource development is a rite of passage furnishing newcomers with ideas, techniques, and

approaches worked out in the past.” A training process which enables traditional human resource development is largely also applicable to the known and knowable domains of the strategic environments of companies since these domains are characterised by existing knowledge and predictable events. Traditional human resource development is regarded as reactive to the strategic orientation of the company.

Examples of methods that are, according to Rothwell and Kazanas (1994:xi), used to make traditional human resource development of executives, managers and employees possible are:

- Organization development: This method of human resource development focuses on changing the culture of a company by means of planned learning interventions.
- Non-employee development: This method of human resource development focuses on addressing the training needs of external role players involved with the company or the value chain of the company.
- Employee development: This method of human resource development focuses on developing executives, managers and employees of the company in order to be able to adjust to changes taking place externally. Rothwell and Kazanas (1994:302) explain: “Differing from employee education and training in key respects, employee development is not always directly tied to observable, behavioral change. It cultivates individuals so that their organization and work group collectively possess the knowledge and skills necessary to meet present, and prepare for future responsibilities.”
- Employee education: This method of human resource development focuses on equipping individual executives, managers and employees with the knowledge and skills needed to accomplish their career goals.

- Employee training: This method of human resource development focuses on empowering executives, managers and employees to be capable of effective and efficient work performance or as Rothwell and Kazanas (1994:xi) state: “Training is intended to furnish people with knowledge and skills needed to perform their jobs.”

4.3.2 Strategic human resource development

The training philosophy, policy and strategy should, however, also give an indication of the manner in which the skills of executives, managers and employees in particular ought to be developed in order to be capable of effective performance in the future. The skills executives, managers and employees should have are determined according to the future strategic orientation of the company. A training process which enables strategic human resource development should therefore provide for empowering executives, managers and employees for effective performance in terms of the strategic domains which are more emergent in nature such as the complex and chaos domains [See Chapter 2]. The dynamic and uncertain nature of these domains in the strategic environment of companies necessitates that a strategic training process should have other characteristics than those of a traditional training process.

The methods that are used to make strategic human resource development possible are: Strategic organisational development and strategic employee development as well as strategic training (Rothwell & Kazanas, 1994:251, 321, 425) [See paragraph 4.5].

At an organisational level strategic human resource development contributes to executives, managers and employees being able to give effect to the future strategic orientation of the company. In terms of individual executives, managers and employees, strategic human resource development results in executives, managers and employees being developed in a more holistic manner than in the case of a traditional human resource development process (Garavan, 1991:23). This is illustrated by the benefits of strategic human resource development, namely:

- “Greater extrinsic and intrinsic job satisfaction
- Greater customer and client satisfaction
- Shorter learning times and more effective use of resource and less wastage of materials
- The creation of a learning organization that is flexible and responsible in coping with present and future demands” (Garavan, 1991:25).

Rothwell and Kazanas (1994:21) concur and describe the value of strategic human resource development in the following manner:

- “First it makes HRD activities proactive rather than reactive
- Second, SHRD ties learning to a comprehensive instructional planning process that supports and relates to Strategic Business Plans and Human Resources plans
- Third, businesses known for their excellence in productivity improvement handle their human resources strategically
- Finally, HRD practitioners will increasingly have to think strategically if they are to enjoy long-term career success.”

From the above-mentioned benefits of strategic human resource development it is clear that this type of human resource development enables a company to effectively address the emergent needs of the market or the industry.

The unique nature and focus of traditional and strategic training mean that companies should use both these types of training processes in order to ensure that they are

empowered for efficient and effective performance in all four the domains of their strategic environment both currently as well as in the future.

4.4 CHARACTERISTICS OF STRATEGIC HUMAN RESOURCE DEVELOPMENT

Various characteristics of strategic human resource development are found in the literature (Garavan, 1991:17-30; McCracken & Wallace, 2000b:281-290; Grieves, 2003:114-117). These characteristics can be used as a guideline to determine whether the nature and scope of human resource development found in companies can truly be regarded as strategic since McCracken and Wallace (2000a:427) explain: "...there has been relatively little work on the characteristics which an organization with a strategic approach to human resource development should have."

The characteristics of strategic human resource development as found in the literature relate to four aspects, namely (Garavan, 1991:17-30; McCracken & Wallace, 2000a:427; McCracken & Wallace, 2000b:281-290; Grieves, 2003:114-117):

- The alignment between the grand strategy and the strategic orientation of the company as well as strategic human resource development [See paragraphs 4.4.1.1 and 4.4.1.2].
- The relationship between the management and development of the human resources of the company [See paragraph 4.4.2.1].
- The responsibilities and relationship between role players in strategic human resource development [See paragraphs 4.4.3.1, 4.4.3.2, 4.4.3.3 and 4.4.3.4].
- The effect of strategic human resource development on the company [See paragraphs 4.4.4.1, 4.4.4.2 and 4.4.4.3].

4.4.1 The alignment between the grand strategy and the strategic orientation of the company as well as strategic human resource development

An alignment should exist between the grand strategy, the strategic orientation of the company and the manner in which executives, managers and employees are developed in terms of the emergent strategic orientation of the company.

4.4.1.1 Aligning the grand strategy and strategic human resource development

Garavan (1991:19) explains that the strategic orientation of the company as set out in the grand strategy of the company should also be reflected in the training philosophy, policy and strategy. The training philosophy, policy and strategy should indicate the manner in which the executives, managers and employees are developed and trained in terms of the emergent strategic orientation of the company and thus the manner in which the training philosophy, policy and strategy support and shape the current strategic orientation of the company in order to ensure the continued competitiveness of the company (McCracken & Wallace, 2000a:439). This statement by McCracken and Wallace (2000a:439) confirm the importance that strategic human resource development and thus strategic training should be cyclical in nature and should have an effect on traditional human resource development and thus traditional training. The cyclical nature of strategic training is discussed in Chapter 7.

4.4.1.2 Aligning the strategic orientation of the company and strategic human resource development

Strategic human resource development must be integrated with the mission and objectives or in other words the strategic orientation of the company (Garavan, 1991:17). McCracken and Wallace (2000b:282) and Grieves (2003:115) are, however, of the opinion that strategic human resource development should not only be integrated with the strategic orientation of the company but should contribute to the manner in which the mission and objectives of the company are formulated and implemented.

4.4.2 The relationship between the management and development of the human resources of the company

A relationship should exist between the manner in which the human resources of the company is managed and developed to meet the current and the future needs of the company.

4.4.2.1 The relationship between human resource management, human resource development and strategic human resource development

The manner in which the human resources of the company is managed and developed to meet the emergent needs of the company are determined by the training philosophy, policy and strategy. Strategic human resource development forms the connection between human resource management and human resource development. Garavan, Costine and Heraty (1995:5) explain that strategic human resource development forms the central component of the human resource management strategy. All the other components of the human resource management strategy are therefore dependant on strategic human resource development. They state: “Within most formulations of HRM, training and employee development represents the vital if not the pivotal component.” McCracken and Wallace (2000b:285) confirm the opinion of Garavan, Costine and Heraty (1995:5) and explain that the integration between human resource management and strategic human resource development should thus take place at both a vertical and a horizontal level in the company.

4.4.3 The responsibilities and relationship between role players in strategic human resource development

The role players involved with strategic human resource development are executives, managers and individuals responsible for managing and developing the human resources of the company.

4.4.3.1 Executives and strategic human resource development

Garavan (1991:18) explains that the executives and managers of the company must support strategic human resource development. This entails that executives and managers must support the strategic development of human resources at an operational level but at the same time they must be involved with initiatives that enable the strategic development of human resources as part of their personal development. Garavan, Costine and Heraty (1995:8) confirm the importance that executives should be involved in strategic human resource development initiatives since it contributes to their ability to formulate and implement the strategic orientation of the company. McCracken and Wallace (2000b:283) are of the opinion that it is also necessary for the senior management of the company to take a leadership role in respect of strategic human resource development initiatives. They explain: “As a key strategic human resource development characteristic, top management support should therefore become top management leadership.”

4.4.3.2 The involvement of executives and individuals responsible for strategic human resource development in strategic processes

Strategic human resource development necessitates the involvement of executives, managers and individuals responsible for human resource development in monitoring the strategic environment of the company. Executives and managers of companies must on a continuous basis monitor the factors present in the internal and external strategic environment of the company in order to anticipate and identify opportunities and threats

for the company (Garavan, 1991:18). These opportunities and threats should be reflected in the grand strategy and the strategic orientation of the company as well as the training philosophy, policy and strategy. However, strategic human resource development requires the involvement of executives, managers and the individuals responsible for human resource development when monitoring the factors present in the four domains of the strategic environment of companies. The involvement of these groups of role players is necessary because the strategic orientation of the company must be translated into a training process which enables strategic human resource development (McCracken & Wallace, 2000a:438).

4.4.3.3 Interaction between line management and individuals responsible for human resource development

Strategic human resource development necessitates interaction between line managers and individuals responsible for human resource development. Line managers must be actively involved and committed to the process of strategic human resource development (Garavan, 1991:20). Grieves (2003:115) describes the nature of the involvement of line managers in a process of strategic human resource development as follows: “It [strategic human resource development] requires decentralized decision making [by line managers] to meet speedier responses to customer needs. Where time does not permit the upward transmission of data, then *ad hoc* adjustments will have to be made with information passed on subsequently to inform changes to strategy.” The involvement of line managers requires that they must form a partnership with individuals responsible for human resource development. This implies that all these role players must be involved in formulating and implementing the strategy to develop the human resources according to the grand strategy and strategic orientation of the company. Grieves (2003:117) explains that individuals responsible for human resource development have other skills than line managers. The combined skills of these two groups in the form of a partnership regarding strategic human resource development contribute to the effectiveness of the process. McCracken and Wallace (2000a:429) also confirm the importance of a partnership between line managers and individuals responsible for human resource

development. These authors explain that this partnership must take place at both a strategic and an operational level.

4.4.3.4 The responsibility of individuals responsible for strategic human resource development

Strategic human resource development necessitates a more comprehensive role by the individuals responsible for training in the company. The role of the trainer in the process of strategic human resource development is more comprehensive than in the case of traditional human resource development. Garavan (1991:21) explains: “From being passive and maintenance-orientated to being more active in marketing the benefits of training; from adopting a reactive response to taking on a more proactive role; from perceiving the HRD function as central to the achievement of organisational objectives; from being simply learning specialists to developing a more strategic role. Such a role involves giving direction to the HRD function and ensuring appropriate policy and planning initiatives.” Although a variety of roles (for example innovator and consultant, instructors, advisors) are found for the trainer, McCracken and Wallace (2000a:430, 441) are of the opinion that a trainer should assume the role of a “change agent”. This requires the trainer to produce a changing view regarding human resource development in the company. This changing view entails that executives and managers are aware of the nature of the alignment that should exist between the grand strategy, the strategic orientation of the company and strategic human resource development. Furthermore, executives and managers should be aware of the importance of strategic human resource development for the continued competitiveness of the company and should therefore support and participate in strategic human resource development.

4.4.4 The effect of strategic human resource development on the company

Strategic human resource development should have an effect on the continued competitiveness of the company but it should also influence the culture of the company and enable knowledge processes to be performed in terms of the emergent strategic orientation of the company.

4.4.4.1 Strategic human resource development and the continued competitiveness of the company

The effect of strategic human resource development on the continued competitiveness of the company should be determined. McCracken and Wallace (2000b:286) explain that a cost-effective evaluation of the strategic training process should be done in order to explain the effectiveness of the process. However, they (2000b:286) warn against the effect of this type of evaluation on a strategic training process: “The importance of cost-effectiveness evaluation in the development of SHRD should therefore be stressed. Paradoxically, however, this emphasis on pay-back calculations can lead to a concentration on achieving quantifiable results within a short timeframe and it is vital not to undermine the importance of HRD as an investment with long-term and less tangible benefits (such as culture change)”. Lee (1996:71) is of the opinion that companies that realise the importance of strategic human resource development do not focus on determining the value of this type of training. McCracken and Wallace (2000a:443) explain as follows: “...it could well be that it is the lack of such [cost-effective] evaluation that is the real indicator of SHRD.”

4.4.4.2 Strategic human resource development and the culture of the company

Strategic human resource development should influence the culture of the company regarding human resource development but at the same time the culture of the company should also influence the manner in which human resource development takes place in the company. Garavan (1991:22) explains: “Culture must be viewed as a central factor in the overall process of [S]HRD.” This view of Garavan (1991:22) regarding strategic human resource development is also confirmed by McCracken and Wallace (2000b:285). They explain: “Culture is seen as an important variable in deciding how [S]HRD should be delivered and evaluated.” A process of strategic human resource development is characterised by taking into consideration the culture of the company, but at the same time also influencing the manner in which it manifests in the company (McCracken & Wallace, 2000a:441). Strategic human resource development is therefore characterised by the fact that it does not take place in isolation from the culture of the company.

4.4.4.3 Strategic human resource development and knowledge processes

Strategic human resource development should be characterised by knowledge processes which are performed. Learning is regarded as the outcome or result of three knowledge processes namely, the creation, sharing and use of knowledge. During strategic human resource development knowledge processes are performed in terms of the emergent strategic orientation of the company. Grieves (2003:117) explains that strategic human resource development should be characterised by learning rather than training. Grieves (2003:117) explains the importance of strategic human resource development leading to the development of the ability to challenge conventional wisdom, but also to think strategically: "...learning must not be tied to adaptations of existing strategy. It requires the development of intuition combined with a mental image of a future state".

The above-mentioned characteristic of strategic human resource development indicates the proactive nature of this method of human resource development as well as the relationship that should be present between the grand strategy and the strategic orientation of the company as well as the strategic human resource development strategy [See paragraph 3.3]. It is also apparent that effective strategic human resource development necessitates constant interaction between executives and managers involved in strategic processes, line management and individuals responsible for the development of the human resources of the company.

4.5 FUTURE-ORIENTED METHODS OF HUMAN RESOURCE DEVELOPMENT

Rothwell and Kazanas (1994:xi) are of the opinion that there are five methods which can be used to make traditional human resource development possible, namely: organisational development, non-employee development, employee development, employee education and employee training [See paragraph 4.3.1]. The authors (1994:xi) explain further: "In addition, Development, Education, or Training can be treated from a past-oriented or future-oriented perspective." These "future-oriented perspectives" are

known as strategic organisational development, strategic employee development and strategic training.

These methods of human resource development are considered to be strategic because they focus on the development of the executives, managers and employees of the company in terms of the skills they will need in future in order to achieve the emergent strategic orientation of the company. They are thus not regarded as methods of traditional human resource development since they do not focus on the skills executives and need in order to give effect to the current strategic orientation of the company. Future-oriented methods of human resource development enable employees but more specifically executives and managers to function effectively within all four the domains in the current and emergent strategic environment of companies [See Chapter 2]. However, these methods of human resource development are particularly suited to the complex and chaotic domains of the strategic environment of companies since these domains are largely uncertain and volatile in nature [See paragraphs 2.2.3 and 2.2.4].

Walton (1999:83) describes the impact of “uncertain” environments on the development of the skills of executives, managers and employees as follows: “It is impossible now to predict with any degree of precision the type and range of tasks and demands that people will be expected to undertake over the next few years. Yet it is vital that as new tasks and technologies emerge, people can be found who have the capability to rapidly acquire the associated skills, knowledge and competences. The emphasis in advanced economies is on developing knowledge workers capable of making rapid skills transitions and attitude adjustments in response to unforeseen and unforeseeable contingencies.”

What follows is a brief explanation of “future-oriented” methods of human resource development, namely: strategic organisational development, strategic employee development and strategic training:

4.5.1 Strategic organisational development

Rothwell and Kazanas (1994:251) are of the opinion that that strategic organisational development results in the prevailing norms of groups in the company and the organisational culture being such that they make provision for changes that may take place in future. Rothwell and Kazanas (1994:251) are of the opinion that the process of strategic organisational development enables existing group norms and organisational culture to adapt to changes that might occur in future. Albert (cited in Rothwell & Kazanas, 1994:251) captures the uncertain nature of strategic organisational development as follows: “It is hard to identify present norms and culture, it is even harder to envision what they should be in the future.”

4.5.2 Strategic employee development

The process of strategic employee development focuses on equipping managers and employees with the skills the organisation, business unit or groups of employees may need in future. Methods that are, according to Rothwell and Kazanas (1994:321), used to make strategic employee development possible are: “long-term, formalized mentoring programs; long-term, informal mentoring programs; long-term, formalized transfer or exchange programs; short-term rotation programs; special job assignments, field trips; professional conferences; behavior modeling; and “think tank” experiences.”

4.5.3 Strategic training

Rothwell and Kazanas (1994:425) depict strategic training as follows: “It is based on predictions of future job requirements stemming from strategic necessity.”

Strategic training focuses on equipping executives, managers and employees for changes that may occur in the manner in which they perform their jobs. These changes spring from the external and the internal strategic environment of the company. Strategic training flows from the emergent strategic orientation of the company. This type of

training applies to all employees, but is of crucial importance to executives and managers involved in formulating and implementing the strategic orientation of the company. If executives and managers do not have the necessary skills to give effect to the emergent strategic orientation of the company it will have a negative effect on the long-term competitiveness of the company. Executives and managers will not be able to manage effectively and will also not be able to contribute to the training of fellow employees [See paragraph 4.4.2].

4.6 STRATEGIC TRAINING

Strategic training should be distinguished from traditional training during which learning occurs with the exclusive aim of improving the current performance of the executives, managers and employees by expanding their knowledge and skills. Strategic training is a purposeful learning intervention whilst traditional training manifests in repeated training opportunities. The distinction between strategic and traditional training is thus based on the outcome of the training. Strategic training attempts to adapt and expand the knowledge and skills which managers and employees currently have in order to enable the company to achieve its emergent strategic objectives. Traditional training concentrates on the knowledge and skills which managers and employees currently need to be capable of efficient and effective performance.

Rothwell and Kazanas (1994:423) explain that there are fundamental differences between traditional human resource development and strategic human resource development and thus there are also differences in the nature and scope of traditional training and strategic training [See paragraph 4.3].

Traditional training serves as a maintenance system since it preserves existing circumstances in the company: “It preserves an existing system by teaching people how to conform to policies, procedures, methods and rules. At best, it fosters consistency by obtaining uniform behavior regarding policies and procedures intended “to formalize or institutionalize all aspects organizational behavior”” (Katz & Kahn cited in Rothwell &

Kazanas, 1994:424). Traditional training addresses existing, current gaps between real and desired work performance. This type of training is reactive and concentrates on current training needs. It focuses on existing gaps.

Strategic training serves as an *adaptive system since* it equips managers and employees for changes that may take place in future. “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 created by those changing conditions” (Rothwell & Kazanas, 1994:424). Strategic training addresses gaps between the current performance and the future performance of managers and employees. This type of training is proactive and concentrates mostly on the future. A training process which enables strategic human resource development is therefore of particular relevance to the complex and chaotic domains of the strategic environments of companies because these domains are largely characterised by uncertainty.

4.6.1 The Rothwell and Kazanas (1994) model of strategic training

An example of a model for strategic training that is found in the literature is the model of Rothwell and Kazanas (1994). This model consists of eleven steps, namely:

- Identifying opportunities during which strategic training should be used
- Identifying the strategic training needs of executives, managers and employees
- Determining key characteristics of learners
- Analysing the future [work] setting
- Conducting a future-oriented work analysis

- Preparing strategic instructional objectives
- Creating strategically-oriented tests
- Arranging objectives in sequence
- Selecting and using appropriate delivery methods
- Preparing and selecting content for strategic training
- Presenting strategic training

Each of the steps in the Rothwell and Kazanas model (1994) are briefly discussed below:

4.6.1.1 Identifying opportunities during which strategic training should be used

Rothwell and Kazanas (1994:426) explain that strategic training should be used proactively in order to find a particular problem – or matter – that should be addressed through strategic training. Strategic training focuses on *problem-finding* rather than *problem-solving*.

These problems or matters are identified by asking the following questions:

- “What should employees be doing in the future?”
- What are employees actually doing?
- What differences exist between what employees should be doing in the future and what they are actually doing?
- How important are these differences?
- What will be the cause of these differences?

- What should be done about nontraining needs expected in the future?
- What should be done about strategic training needs?" (Rothwell & Kazanas, 1994:427-428).

During this step a comparison is made between the current *versus* the future performance of executives, managers and employees. In this first step of the Rothwell and Kazanas (1994:427-428) model it is assumed that the emergent strategic orientation of the company has already been formulated since the tasks and activities for which executives, managers and employees will be responsible in future are determined during this step.

4.6.1.2 Identifying the strategic training needs of executives, managers and employees

The aim of both traditional and strategic training is to address the training needs of executives, managers and employees. However, before the traditional and the strategic training needs of executives, managers and employees can be addressed it is important that these needs are identified correctly.

The identification of the strategic training needs of employees and in particular executives and managers is contained in Step 2 of the Rothwell and Kazanas (1994) model. This step entails that those involved in strategic processes (executives and managers) and strategic training (individuals responsible for human resource development) in the company should be able to identify strategic training needs as these emerge from the future strategic orientation of the company. If these training needs are properly identified and addressed executives, managers and employees should be enabled for effective performance in any of the four strategic domains in which the company will find itself in the future.

Different criteria are used to assess the current performance of executives, managers and employees as opposed to the future performance of executives, managers and employees.

This implies that different criteria are used to assess the manner in which the traditional and the strategic training needs of executives and managers are identified and addressed.

The criteria that are used to assess the current performance of executives, managers and employees flow from the standards established for effective performance. The performance of executives, managers and employees is determined by their ability to contribute to the current competitiveness of the organisation and if executives, managers and employees do not have the necessary skills to perform effectively a particular training need is identified.

The changing circumstances in the strategic environment of companies necessitate adjustments to the manner in which tasks and activities are performed and also the standards according to which performance are measured. Executives, managers and employees should be equipped and trained in terms of the changing nature of work performance in order to meet the standards set to determine effective performance. The standards established to measure the effectiveness of this “changed” performance serve as the criteria according to which strategic training needs are determined (Rothwell & Kazanas, 1994:429). Rothwell and Kazanas (1994:429) explain the “uncertain nature” of these standards and also the criteria used to identify the strategic training needs as follows: “Future criteria are what managers expect after job requirements and standards have been affected by changing conditions inside and outside the firm.” To predict future criteria, HRD practitioners and others should determine what major changes will affect the organization, and how those changes should affect job standards or job performance requirements. The process of predicting future criteria is tentative and highly subjective.”

In Step 2 of the model it is assumed that executives and managers involved in strategic processes and individuals responsible for strategic training in the company are able to translate the emergent strategic orientation of the company into strategic training needs as well as the standards of performance and the criteria to identify training needs. The identification of training needs should result in the curricula or instructional plan

according to which executives, managers and employees will be trained [See paragraph 3.4].

As previously explained the opportunities during which strategic training should be used or Step 1 of the Rothwell and Kazanas (1994) model should be translated into strategic training needs or Step 2 of the Rothwell and Kazanas (1994) model. If this translation is unsuccessful, it could have a negative impact on the effectiveness of the strategic training process. Step 2 is thus regarded as one of the most important – if not the most important – step of this model. The nature and scope of the strategic training needs determined during Step 2 will also largely determine the manner in which the rest of the process will be executed and the manner in which the training infrastructure will manifest itself.

4.6.1.3 Determining key characteristics of learners

Both the managers that are currently involved with strategic processes as well as managers and employees that have the potential to be promoted into executive and managerial positions should be exposed to strategic training. Strategic training should be focused on the strategic training needs of executives, managers and high potential employees before the needs of other employees are addressed. Rothwell and Kazanas (1994:431) explain as follows: “Employees presently working in a job may well be affected by changes in job duties and performance requirements resulting from changes in business strategy or external environmental conditions. But if the emphasis is on the future, some employees are gone – moved out of the job class – by the time changes are felt. Other employees will be moving into the job class. It is thus necessary to predict who the learners will be.”

Rothwell and Kazanas (1994:431) identify four aspects on which the decision to include learners in a strategic training process should be based. These aspects are:

- “Ability: Do trainees have the ability to learn in anticipation of need?
- Motivation: How motivated are learners to prepare for future changes on the job?

- Necessary base of skills: How much do learners possess necessary background knowledge and skills?
- Strategic thinking skills: How much do learners possess the ability to peer into the future and work to anticipate it?” (Rothwell & Kazanas, 1994:431).

Step 3 entails that managers and employees with potential are identified and selected in order to participate with executives in a strategic training process. In step 3 it is therefore assumed that there is interaction between the different components of the human resource management function and specifically the human resource management function and the human resource development function.

4.6.1.4 Analysing the future [work] setting

The nature and scope of strategic training should reflect the future working environment or setting in which executives, managers and employees will apply their newly acquired skills. Rothwell and Kazanas (1994:432) explain the reason why a training environment should be created that reflects the future work setting of executives, managers and employees: “The idea is to use the instructional setting to simulate future, but not yet existing, job conditions, so that learners gain experience without incurring the costly consequences of doing so in a real setting”.

Step 4 of the Rothwell and Kazanas model (1994:432) requires that the training processes and training infrastructure used by the company should be conducive for learning to occur and thus for knowledge processes to be performed in terms of the future strategic orientation of the company [See Chapter 3].

4.6.1.5 Conducting a future-oriented work analysis

An analysis of the nature of the work that executives, managers and employees will be responsible for in future should commence as soon as the future work setting has been

analysed. Step 5 will ensure that the work which executives, managers and employees perform in future enable the company to achieve its future strategic orientation.

Steps 4 and 5 entail that the emergent strategic orientation of the company is translated into a future work setting and an analysis of work that needs to be done in future. In these two steps it is therefore assumed that the executives and managers involved with strategic processes and individuals responsible for human resource development are able to translate the emergent strategic orientation of the company into a future work setting and work analysis.

4.6.1.6 Preparing strategic instructional objectives

The objectives of the training or the outcomes that are to be achieved through strategic training or “what learners will be able to do upon completion of a learning experience” are determined during Step 6 of the Rothwell and Kazanas (1994) model. Rothwell and Kazanas (1994:433) explain that the strategic instructional objectives should address a discrepancy in the skills of executives, managers and employees. They describe this discrepancy as follows: “Instead of expressing [addressing] a discrepancy between what is and what should be at present, a strategic instructional objective is based on a discrepancy between what is at present and what should be in future.”

Step 6 entails that the future work requirements which were identified in Step 5 should be interpreted into skills or training objectives which have to be achieved during the strategic training process.

4.6.1.7 Creating strategically-oriented tests

Methods should be developed to assess the effectiveness and relevance of strategic training. These methods should provide for three aspects, namely a task, an instructional objective and a unit for testing. Rothwell and Kazanas (1994:433) explain these aspects as follows:

- “Task: what should be done on the job in the future?”

- Instructional objective: what will be the outcome of instruction?
- Test item: how can achievement of an objective be measured?"

Step 7 results in the effectiveness and relevance of strategic training being determined in order to ascertain whether the training objectives as identified in step 6 has been achieved [See paragraph 3.7].

4.6.1.8 Arranging training objectives in sequence

The order in which the training objectives, which were determined in Step 6, will be addressed is determined by the aim to be achieved by the training. The aim of strategic training varies from creating knowledge to sharing knowledge regarding the emergent strategic orientation of the company. Creating new knowledge is addressed through non-directive training while the sharing of knowledge is addressed through directive training. Non-directive training is described as follows: “The learning event is a discovery session where new ideas are created and new learning needs are identified (Rothwell & Kazanas, 1994:433-434). Rothwell and Kazanas (1994:433) describe directive training as follows: “Directive training is designed and delivered in anticipation of a future need, one which is soon going to be felt on the job.”

The sequential order of training objectives for non-directive training is determined by the training needs of executives, managers and employees whilst a chronological order is followed to determine the sequential order of training objectives for directive training. The training objectives are simply arranged from the skills that executives, managers and employees currently possess to skills executives, managers and employees should possess in future (Rothwell & Kazanas, 1994:434).

As soon as the sequence in which the training needs of executives, managers and employees should be addressed has been determined suitable instructional methods and media must be found to address these training needs.

4.6.1.9 Selecting and using appropriate delivery methods

The aim of the training determines the type of delivery methods used to present strategic training to executives, managers and employees. Directive training is associated with clear outcomes to be achieved and the delivery method is of a conventional nature. Non-directive training is associated with less specific outcomes and for this reason Rothwell and Kazanas (1994:434) are not prescriptive about the use of a specific delivery method.

As soon as the content that has to be conveyed to executives, managers and employees have been prepared the delivery method that will be used to present the content to executives, managers and employees needs to be identified [See paragraph 3.6].

4.6.1.10 Preparing and selecting content for strategic training

The content of directive training can be developed and prepared internally or be bought from commercial suppliers of training material. The nature of the content of directive training is described as follows by Rothwell and Kazanas (1994:443): "...content is prepared ... in precisely the same way that traditional instruction is prepared". Non-directive training requires the presence of a learning facilitator in order to stimulate the creation of new knowledge and the nature of the content is described as follows: "stems from the "training" session and is a function of group interaction and methods used to elicit new ideas." (Rothwell & Kazanas, 1994:443).

As soon as the content of the training has been selected and prepared the training is offered to executives, managers and employees in Step 11 of the Rothwell and Kazanas (1994:443) model of strategic training.

4.6.1.11 Presenting strategic training

The successful presentation of directive training is largely determined by the training skills of the trainer. During non-directive training the trainer is mostly a facilitator whilst the "content" of the training is transferred by the participants or learners involved in the training process.

The above-mentioned model of Rothwell and Kazanas (1994) provides an indication of the steps included in a strategic training process. However, Rothwell and Kazanas (1994) do not indicate whether their model is only applicable to executives and managers involved with strategic processes or executives, managers and employees and it is therefore assumed that their model is aimed at executives, managers and employees. The presence of models of strategic training does, however, not necessarily imply that companies do indeed make use of strategic training. Naturally models of strategic training will have to be adapted according to the specific needs and circumstances of companies in order to ensure that they are used.

[The researcher provides further comment on the Rothwell and Kazanas (1994) model in Chapter 7 as part of a proposed framework for the implementation of a cyclical strategic training process.]

4.7 STRATEGIC HUMAN RESOURCE DEVELOPMENT IN SOUTH AFRICAN COMPANIES

The strategic environment within which South African companies find themselves also consist of a known, knowable, complex and chaotic domain. In the literature several authors, such as Pretorius (2001:10) and Meyer (2004:8), refer to the factors that are present in the strategic environment of companies and that influence the strategic environment within which these companies find themselves currently and will find themselves in the future.

- “It is ever changing, fast moving and complex,
- it is very similar to what is happening internationally,
- it is volatile, very sensitive to international and local turmoil,

- it is ultra-competitive because of global competition and local deregulation,
- it is being affected to a greater degree by the power of information technology and the internet,
- customers want it all,
- staff members have high expectations,
- there is a deluge of new threats and opportunities, every day,
- the challenge is to become globally competitive or perish.” (Pretorius, 2001:10).

Meyer (2004:8) explains that: “The next generation of leaders in South Africa has vastly disparate contexts in which their leadership skills must be applied. They will be challenged to find solutions to problems concerned with poverty alleviation, lack of education and high levels of mortality whilst positioning their organizations and the country in an unforgiving global economy fuelled by technology which will fundamentally change the structure of the economy and even society itself.”

Weeks (2000:16) describes the importance of executives, managers and employees in South African companies being trained in terms of “new” skills in order to ensure the continued competitiveness of South African businesses: “South Africa, if it intends to become a global player and compete within a highly competitive international business environment, will need to invest in the education of a work force that will require a new set of skills that will be more appropriate for dealing with the redefined rules of a 21st century business world. An education system based on the principle of lifelong learning to assist all South Africans to actualize their full potential in a highly competitive and constantly changing global business context will be essential if South Africa is to become a serious player in the game of global business.”

These statements by Weeks (2000:16), Pretorius (2001:10) and Meyer (2004:8) confirm the importance that factors in the strategic environment of companies should be identified proactively and translated into the training needs of executives, managers and employees.

Furthermore, South African companies should prepare employees but especially executives and managers to be able to manage within the known, knowable, complex and chaos domains of the strategic environment of companies by means of methods such as strategic human resource development.

This implies that the factors which are present in the strategic environment of companies and which influence the future strategic orientation of companies should be translated in terms of the performance levels which executives, managers and employees will have to master in future and which will give rise to the creation of certain strategic training needs. These strategic training needs should be addressed by means of future-oriented methods of strategic human resource development, such as strategic training. The strategic training needs of executives and managers responsible for strategic processes should be identified and addressed before the strategic training needs of employees are identified and addressed. Once the strategic training needs of executives and managers are identified and addressed they should become involved in the strategic training of employees.

4.8 TRAINING NEEDS OF EXECUTIVES AND MANAGERS IN SOUTH AFRICAN COMPANIES

The literature refers to various skills in which executives and managers in South African companies need training. The skills in which executives and managers need training should be addressed by a traditional and strategic training process depending on the strategic orientation (current *versus* emergent) of the company.

A study conducted by Grant (1999:15) at the instruction GIBS, University of Pretoria provide an overview of the skills in terms of which “senior level, potential senior level executives or high performers” need to be trained. These are the employees that are principally responsible for formulating and implementing the strategic orientation of companies in South Africa [See Annexure C]. The skills identified by Grant (1999:15) and others referred to in the literature are discussed in no specific order:

- Technological skills: Grant (1999:15), Weeks (2000:19) and Lessing and Maritz (2001:11) are of the opinion that executives and managers ought to possess the necessary skills to apply information and communication technology to the benefit of the company. Weeks (2000:16) explains that information and communication technology is only a mechanism that enables executives and managers to perform work and that executives and managers also need to have a variety of additional skills to perform effectively. Weeks (2000:19) identifies these skills as follows: “critical thinking and doing, creativity, collaboration, cross-cultural understanding, communication, computing and career and learning self-reliance. These skills clearly include a substantial set of skills that are not primarily technology-based in the first instance, but that emerge as a consequence of applying the technology concerned.”
- Self-assertion: Executives and managers need the skill to assert themselves within their professional environment (Pretorius, 2001:10). Grant (1999:15) describes this skill as follows: “People need to be confident in themselves, articulate, be a person of high integrity, be able to network at entry level in the company.”
- Knowledge management: Executives and managers need to develop the skill to be able to apply both their explicit and tacit knowledge to the advantage of the company. Chilvers (cited in Grant, 1999:16) explains: “...the knowledge economy is now a real factor in all sectors and industries. It is now essential for managers to be able to synthesise information and manage the information volume in a smart way. Good knowledge management will therefore be essential.”

- Knowledge sharing: The need for knowledge management also relates to the skill of executives and managers to convey their knowledge to others or to share it with others. Grant (1999:22) describes the importance of developing the skills of executives, and managers to translate their personal knowledge into organisational knowledge: “A lot of young, well-educated whites are leaving the country. They are not emigrating, they are just leaving. We now have to transfer skills [or share knowledge] from one generation to the next.”
- Managerial skills: Grant (1999:19, 24) explains the needs of executives and managers in terms of their managerial skills as follows: “Managers don’t know how to manage today and hence consulting companies can make a significant difference by instilling some discipline into an organization.” Furthermore, Grant (1999:24) is of the opinion that executives and managers should develop the skill to apply their theoretical knowledge in performing their work: “Too often MBAs can’t integrate their knowledge into their organizations or translate it into real practice.”
- Financial management: Executives and managers need to develop financial management skills. Grant (1999:19) explains as follows: “Managers need to be trained to run their bottom line better and to manage costs better.”
- Strategic thinking: The skill to think strategically entails that executives and managers are able to formulate and translate the strategic orientation of the company in a vision, mission and a strategy for the company (Pretorius, 2001:10). Grant (1999:20) explains: “South African managers are generally well thought of internationally because they can do virtually anything but they lack vision and leadership. They lack those elements of big thinking because they are not part of the global thought programme.” The opinions of Grant (1999:20) and Pretorius (2001:10) are confirmed by Watson (2003:24): “...but there also has to be local advantage flowing from any international element in a course like an MBA. It has to contribute to and develop the economy of the

country while preparing the local business leaders to take their place on the global stage. It has to achieve a real balance between local and global”.

Coupled with the skill to think strategically executives and managers must also possess a particular perspective regarding the role of the company in society: “you need to have a broad mind in order to understand the role of business in society. Too often business in South Africa is seen as an end in itself and big businesses tend to see society’s role as satisfying business rather than the other way around” (Morolo cited in Grant, 1999:25).

- Succession planning: Executives and managers should develop the skill to identify individuals who have potential and can be developed to occupy key positions in the company. Grant (1999:20) explains: “South Africa has a long way to go before the leader becomes the teacher.”
- Team management: Grant (1999:22) describes the need for executives and managers to be trained in terms of the skill to manage teams: “Managers can’t manage a team, they don’t have the tools or techniques to manage a team.”
- Performance evaluation: Grant (1999:23) explains that executives and managers need to identify and to evaluate skills that are important for the competitiveness of the company. She explains: “Managers don’t know what to measure to improve performance down into the organization.”
- Leadership skills: Leadership skills entail that the executives and managers has the ability and accepts the responsibility to make the company internationally competitive. Van der Colff (2001:16) explains the manner in which the leadership skills of executives and managers ought to be developed: “A skills based model of leadership must be developed for each organisation, defining the diverse skills and competencies necessary for leaders to manage future change in an innovative and entrepreneurial way.”

- Interpersonal skills: Grant (1999:23) is of the opinion that it is not sufficient for executives and managers to merely possess managerial and leadership skills since interpersonal skills also contribute to the competitiveness of a company: “Management in SA has good technical skills but lacks people skills. Managers care only about the bottom line and don’t care about relationships or building organizational culture – yet it is essential that we take people along with us.” Interpersonal skills also include an awareness and appreciation of the skills and knowledge of individuals from other population groups in the company: “Cultural links with all the different population groups in the broadest terms are lacking. Most white managers have no experience of professional Black people. These managers shouldn’t be surprised that there are good black professionals (Grant, 1999:23).
- Communication skills: Executives and managers require the skill to communicate with a variety of role players within the company. Grant (1999:24) explains the effect of the absence of communication skills on knowledge sharing as follows: “Managers are bad at communicating with different stakeholders, such as their own people, government, bureaucrats. Knowledge sharing and effective leadership will create a culture where knowledge will flow – encourage people to share information.”
- Innovative and creative thinking: Pretorius (2001:10) explains that innovative thinking means that executives and managers have the skill to find opportunities that will enable the company to grow. “One of the most important areas for business to concentrate on is in the area of innovation. This requires training and adaptation to new ideas and new trends, especially in the workplace” (Grant, 1999:25). Conradie (2003:16) expresses the importance of creative thinking: “Organisations cannot be innovative without having managers capable of generating creative ideas. Apart from being creative, management needs to understand the nature and characteristics of creativity.”

- Decision-making: Employees also have a need of the skill to make decisions and to solve problems they experience in their operational environment (Pretorius, 2001:10).
- Executive intelligence: Menkes (2006:16) mentions the importance of executive intelligence. He states: “In today’s work place an individual cannot become a star executive without possessing a unique type of business ‘smarts’ that is called executive intelligence. Menkes (2006:16) defines executive intelligence in the following manner: “In its simplest form, it is a distinct set of aptitudes that an individual must be able to demonstrate in three central contexts of work: the accomplishment of *tasks*, working with and through other *people* and judging *oneself* and adapting one’s behaviour accordingly.”

Nel (2001:12) explains that South African executives and managers are often trained according to a British study, which spells out the skills that are regarded as essential for executives and managers. He explains: “Research undertaken in the UK attempted to identify the skills managers require. It has been adapted to serve as a guide for management education in South Africa because of the closer similarities with British management practices than those of the USA. Two broad categories have been identified namely the necessary skills and the so called supra skills”. Nel (2001:12) describes these two types of skills as follows:

“Among the necessary skills the most prominent are:

- The evaluation of employees
- Self-management
- Time management
- Bargaining, and

- Representing the organization at various fora.”

The supra-skills were grouped in four categories:

- Intellectual skills (strategic perspectives, analysis, structured planning)
- Interpersonal skills (dealing with employees, sensitivity, communication; effective negotiation, decisiveness)
- Adaptability (management of change, contingency planning)
- Results orientation (stating clear objectives, measuring progress, corrective action).”

The findings of the above-mentioned British study have been adjusted and expanded by research undertaken by Alberts (1994:14). This study identifies certain skills that were in 1994 regarded as being of critical importance to executives and managers. These skills are:

- “Improved thinking and reasoning skills
- Managing the continuous global changes in a transformational way so as to be relevant in the South African context
- An improved ability and proficiency to innovate and think laterally and creatively
- Aspiring managers must learn to develop criteria for prioritizing activities
- Utilizing technological advances to their advantage in the business context

- The development of a holistic approach to management in the international context
- The development of cross-cultural skills and the management of diversity as a priority to manage South African businesses optimally
- Managing human resources sensitively in South Africa due to its unique configuration as well as its politicised nature.”

A skill that is often identified in the literature is the ethical orientation of executives and managers (Meaney cited in Grant, 1999:1; Lessing & Maritz, 2001:11). Erasmus (2002:34) explains as follows: “Business ethics has become one of the crucial elements managers in South Africa will have to comprehend fully and manage successfully in view of international pressure and a call for a more transparent approach to corporate governance.”

Garger (cited in Shah *et al.*, 2001:23) not only explains the importance of identifying the skills of executives and managers but states that it is also necessary to have methods in place to ensure that executives and managers have the skills that are required of them in the workplace: “As we enter the new millennium, the most fundamental shift will reflect a redefinition of training itself. 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.”

The above-mentioned discussion offers a brief overview of the training needs of executives and managers as presented in the literature. The question, however, remains to what extent the above-mentioned skills are merely traditional in nature or whether they are emergent in nature and thus flow from both the current and future or emergent strategic orientation of the company. Furthermore, it should be determined whether

executives and managers are familiar with the concept of “strategic training needs” and what infrastructure is present in large South African companies in order to identify and address strategic training needs specifically. These questions are addressed in Chapter 6.

4.9 CONCLUSION

All companies, and thus also all South African companies, must develop an understanding of the differences between traditional or more reactive, and strategic or more proactive training. Furthermore, companies should distinguish between the skills of executives and managers which should be addressed by means of a traditional training process and skills that will ensure the competitiveness of the company in the future and that should be addressed by means of a strategic training process. Kerker (2000) explains that companies which make use of a strategic training process have the following characteristics:

- They offer training to executives and managers which is aligned with the emergent strategic orientation of the company.
- They identify the strategic training needs of executives and managers in an ongoing basis to ensure that training remains aligned with the emergent strategic orientation of the company.
- They make a distinction between training that merely addresses traditional training needs in a reactive manner and training that results in the proactive and continuing identification of the strategic training needs of executives and managers.

- They are able to provide an indication of the effect of strategic training on the manner in which business is conducted in the company. This characteristic of strategic training is also discussed in *Measuring what matters: how to make training count* (1999): “Company-specific training must result in measurable improvement in internal business processes, customer-getting and customer-keeping activities, financial performance, employee retention and other indicators of training success.”

Strategic training is, but one example of future-oriented methods by which the company’s human resources can be developed to facilitate the emergent strategic orientation of the company. The implementation and use of a strategic training process is subject to companies understanding the value of strategic human resource development for the competitiveness of the company.

It appears as if companies have not yet grasped the concept of “strategic human resource development” properly. Blake (cited in McCracken and Wallace, 2000b:282) explains: “...the field [strategic human resource development] defies definition and boundaries. It is difficult to put into a box.” This ambiguity regarding strategic human resource development has the effect that companies probably hesitate to make use of it and thus also of methods such as strategic training to address the strategic training needs of employees and executives and managers in particular. Garavan (cited in McCracken and Wallace, 2000b:282) describes the situation as follows: “The concept of Strategic HRD (SHRD) has been much explored in the training and development literature of the last decade, but there has been relatively little work done on what characterizes an organisation with a strategic approach to HRD.”

It is necessary to determine if companies are aware of strategic training as a method of human resource development and if they identify and address the strategic training needs of their executives and managers in particular. The level of awareness of strategic training amongst large South African companies and the strategic training needs of executives and managers involved in strategic processes in large South African

companies are discussed in Chapter 6. In Chapter 6 reference is also made to the manner in which the strategic training needs of executives and managers in large South African companies are addressed.