

## LESSON 3

### TRAINING MANUAL

Friends,

After reading this lesson you will be able to

1. **Know what training manual is.**
2. **Explain Crucial contents of Training manual**
3. **Design Training Manual**
4. **Prepare training budget**

**Training manual** of any organization consists of following information about training.

#### **Training Policy:**

Policy is a written Statement expressing company's vision mission regarding training.

Policy is guideline for action.

A Training policy includes training needs identification process, Training budget, people to be trained and areas of training, types of training, responsibility for training.

Training policy should be in align with Business strategies in past few years.

#### **Training Budget:**

A financial and/ or quantitative statement prepared prior to a defined period of time of policy to be pursued during that period for the purpose of attaining a give objective.

Estimated prepared in financial terms regarding:-

WHO  
WHAT  
WHEN  
WHERE  
WHAT  
HOW

#### **BUDGETING & CONTROLLING THE T & D FUNCTIONS MANAGEMENT POLICIES**

The top management always looks at the loss and profit for any activity. The objectives of the strategies are only divided on the basis of cost justifications or viability aspect of the activities in terms of resources. Though the return on investment of Human Resources Development is still controversial in view of time variable in achieving desired change and effectiveness in the *employees*, management *does want* some *portion of the cost format and its return pattern to decide how much to be invested and what will be* the benefits to the organisation in terms of rupees or increase in profitability or reduction in wastage etc. Otherwise it may jeopardize the entire organisation.

No doubt, HRD is the key area in bringing out excellence in organisation and in fact this has been observed in sixth and seventh five year plans also as this costs to the organisation, it should be viewed carefully in relation to the organisation's size, turn over, total budget and the percentage or part of budget used for HRD.

### **GENERAL CONSIDERATIONS ON HRD BUDGET:**

General 1.5 to 25% of the total employees salary (with few exceptions) could be allotted for HRD activities as per the various studies and researches done in this context. However the new establishment do need much higher allocation for few months & for which the justification or viability report can be put up to the management with expected benefits (in terms of rupees) in coming years like R01 plan for new establishment.

Unusual circumstances, when office or entire plants may be shut down for T & D to implement, new technology etc. cannot be overruled. In such cases the costs may vary as high as 100% during this period.

### **BUDGET ALLOCATION**

Basically there are two methods of allocating the budget on HRD, T & D activities All cost on HRD, T & D activities observed by HRD department are recorded at one place in corporate office.

All the cost is assigned to HRD department who has to record and control it. Though both the methods may have the same results; the method used may greatly influence the decisions making process. There may be Pros & Cons of both the methods but within the frame work of the organisational policies and philosophy, the methods are decided for acceptable input-

### **The HRD budget normally covers the following:**

- Cost of staffing
- Cost of planning
- Cost of TNI & TNA
- Cost of appraisal
- Cost of recruitment or selection
- Cost of feed back system
- Cost of updating competence
- Cost of testing progress
- Cost of trials
- Cost of running programme
- Cost of valediction
- Cost of trainig materials & training aids Cost of revising and re-testing
- Cost of publishing or awarding

### **BUDGETING PROCESS**

Business is and always, has been the number game, the game of data statements etc. With the advancement of the technology and management information system, the executive/manager has an easy access to these data on-sales, productions, material and facilities planning, cost control, loss and profit etc. Further the computer has made it more easy to coordinate one function to another and easily compute the performance or the comparison etc.

- The cost of running HRD organisation
- The cost of T & D activities
- The cost of change achieved
- The cost of conflicts avoided
- The cost of material, man hour & machine hour saved

<b>Budget category</b>	<b>Month March</b>			<b>Quarter 1st</b>			<b>Year to date Thru March</b>			<b>Year 2000</b>		
	<i>Plan</i>	<i>Act.</i>	<i>Var.</i>	<i>Plan</i>	<i>Act.</i>	<i>Var.</i>	<i>Plan</i>	<i>Act.</i>	<i>Var.</i>	<i>Plan</i>	<i>Fore.</i>	<i>Var.</i>
Salaries and benefits	7.5	7.5	0	22.5	22.5	0	22.5	22.5	0	90	90	0
Consultants	2.5	2.0	(0.5)	7.5	6.5	1.0	7.5	6.5	1.0	30	30	0
Training facilities	1.0	0.8	(0.2)	3.0	2.4	0.6	3.0	2.4	0.6	12	12	0
Travel and entertainment	0.4	0.5	0.1	1.2	1.0	0.2	1.2	1.0	0.2	05	05	0
Training	1.0	0.7	(0.3)	3.0	2.5	0.5	3.0	2.5	0.5	12	11	(1)
Computer	0.4	0.5	0.1	1.2	1.5	0.3	1.2	1.5	0.3	05	06	1
Material and supplies	0.4	1.0	0.6	1.2	3.0	2.8	1.2	3.0	2.8	05	06	1
Other operating expenses	0.4	0.4	0	1.2	1.2	0	1.2	1.2	0	05	05	0
<b>Total expenses</b>	13.6	13.4	(0.2)	40.8	40.6	(0.2)	40.8	40.6	(0.2)	164	165	1
<b>(Recoveries)</b>	3.9	3.0	(0.9)	11.7	9.0	(2.7)	11.7	9.0	(2.7)	47	50	3
<b>Net expenses</b>	9.7	10.4	0.7	29.1	31.6	2.5	29.1	31.6	2.5	117	115	(2)

(Source: Carol McCoy, *Managing a Small HRD Department*)

## **TYPES OF TRAINING**

The companies training policy should also have the types of training company will offer after the deification of training needs.

The types of training can be categorized in following ways as per the prevailing practice in industry:

- a) Based on Technology
  - a. Technical training
  - b. Non technical (soft skills training)
- b) Based on type of employee
  - a. For Skilled staff
  - b. For Semi Skilled staff
  - c. For Unskilled employees staff
- c) Based on employee life cycle
  - a. Induction Training
  - b. In process Training
  - c. Value Added Training

All these types of training will be discussed with you in detail in the next lesson.

**Role of T & D in HRD :**

Training contributes to all attributes of HRD AND HR Management T & D accelerates the acquisition of desired competence as it is one of the sub system of HRD system.

(LINKING TRAINING TO ORGANISATIONS GOALS )

ORGANISATIONAL VALUES	RESULT BEHAVIOUR		
	MANAGERS	SUPERVISORS	OTHERS/EVERY ONE
➤ Optimistic and Constructive Approach	Delegate and support most of their subordinates	Give careful thought to task	Refrain from open Criticism of other's mistakes
➤ Mutual trust & Support	Set levels of performance and get bet out of it	Take initiative and work hard	Speak well of
➤ Allowance for Risk and mistakes			
➤ High Standards			
➤ Personal growth/career Plans	Train & Development their Subordinates for succession plans	Self challenges personal goals	Respect others and the job
➤ A growth Vs Maintenance Perspective	Get ready to take more and more challenges	Put corporate efforts to achive goals	Develop belongingness
➤ Personal pride & respect to others			
➤ Loyalty Awards		Learn to delegate	

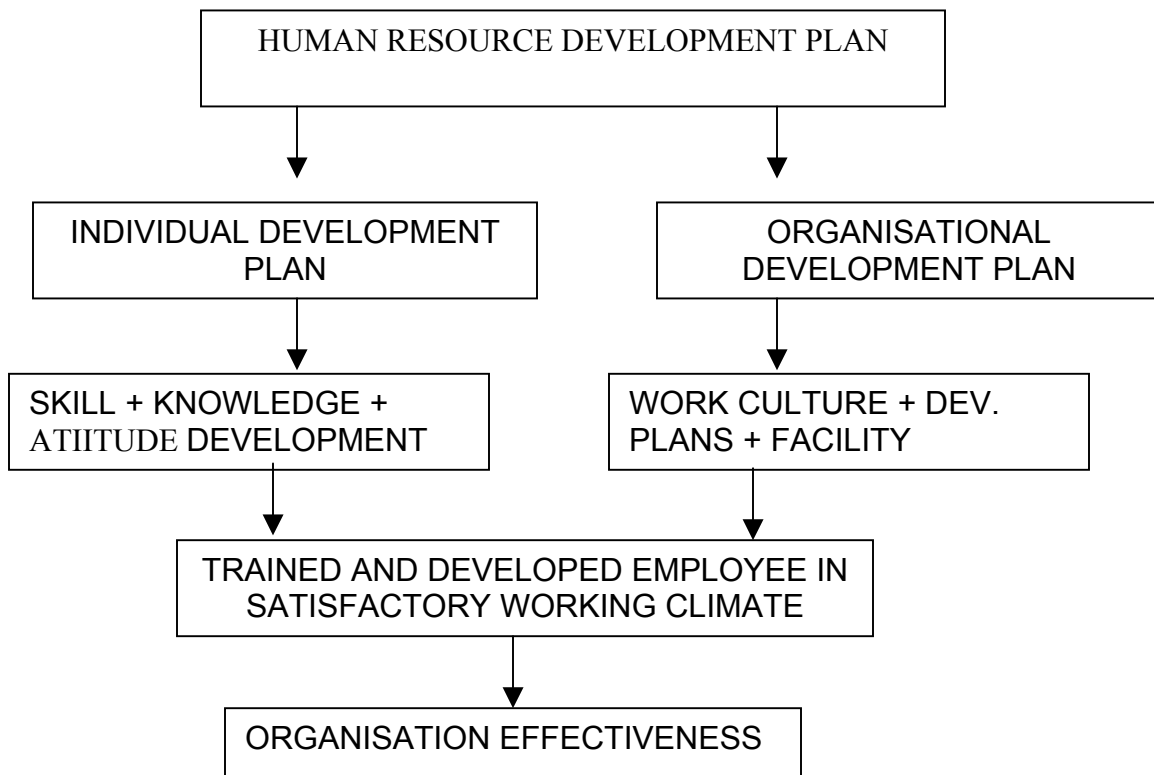
## ROLE OF HRD IN ORGANISATIONAL DEVELOPMENT

INPUT	PROCESS	OUTPUT
* Human Resource * Role Description * Organisational Structure * Cost input	* Role clarification * Widening Perception * T & O process * Group dynamics	* Perception * Moral improvement * Rise in self-esteem * Improved productivity * Harmonious work

## ORGANISATIONAL CLIMATE DEVELOPMENT:

HRD functions also take care of modifying the organisational culture to create hygienic & motivated work environment, look after the welfare of employees and help the organisation to design and conduct organisational development plans. Cleanliness, adequate illumination and relevant help to individual to concentrate and so the organisational health to its employee.

## HRD MODEL



## Training Planning

To plan training that links to organizational performance improvement you must first identify the organizational performance needs, gaps, and priorities. These are examples of typical training drivers which give rise to training needs. It is rare to use all of these aspects in determining training needs - select the ones which are most appropriate to your own situation, the drivers which will produce the most productive and cost-effective results, in terms of business performance and people-development:

### Examples Of Training Drivers

- Customer satisfaction surveys
- Business performance statistics and reports.
- Financial reports and ratios.
- Competitor analysis and comparison, eg SWOT analysis.
- Management feedback on employee needs, including from appraisals.
- Training audits, staff assessment centres.
- Staff feedback on training needs.
- Director-driven policy and strategic priorities.
- Legislative pressures.
- Relevant qualification and certification programmes.

Use the results and indicators from the chosen driver(s) to produce prioritised training needs per staff type, which will logically enable staff and management to achieve improvements required by the organization.

## **POLICY**

Definition:- Policies provide the framework within which the decision-makers are expected to operate while making decisions relating to the organisation. They are a guide to the thinking and action of sub-ordinates for the purpose of achieving the objectives of the business successfully.

According to *George R Terry*- "*Policy* is a verbal, written or implied overall guide setting up boundaries that supply the general limits and directions in which managerial actions will take place."

Further, according to *Koontz and O'Donnell* "Policies were identified as guides to thinking in decision-making. They assume that when decisions are made, these will fall within certain boundaries."

From these two definitions it is clear that policies are a guide to thinking and action of those who have to make decisions. They also lay down the limits within which decisions

have to be made for accomplishing the enterprise objectives. They are the basis for executive operation and provide ready answers to all questions faced in running the enterprise. Some of the example of policies are an enterprise may follow a policy of selling its products only on cash basis or may adopt a policy of employing only local people or may have a policy not to employ any person over sixty years of age.

### Characteristics of a Good Policy

The characteristics of a good policy are:

- (a) Policy should help in achieving the enterprises objectives. (b) It should provide only a broad outline and leave scope to subordinates for interpretation so that their initiative is not hampered.
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- (c) Policy should not be mutually contradictory and there should not be inconsistency between any two policies, which may result in confusion and delay in action.
- (d) They should be sound, logical, flexible and should provide guide for thinking in future planning and action. Further, they should provide limits within which decisions have to be made.
- (e) Policies should reflect internal and external business environment.
- (f) Policies should be in writing and the language of the policies should be intelligent to the persons who are supposed to implement them and to those who are to be affected by them.
- (g) Policy may originate at any level such as division level, department level, section level,etc. A manager may formulate policies within the limits of his authority and also within the limits of the policy laid down by his superiors.
- (h) Policy starts with description of subject matter it covers, so that there may be common understanding of the policy among those who are to implement it.
- (i) Policy must be reviewed periodically and modified according to the changed circumstances. It may be replaced by a new policy. Periodical review of the policy makes it more adaptable and acceptable.

## Nature of Policy

(1) *It Serves as Broad Guides to Decision-making in a Firm*-The first step in planning is setting objectives. The next step is formulation of policies and strategies. Policies prescribe the most desirable ways and demand for the accomplishment of a given objective. They may be described as plans to serve as broad guides to decision-making in a firm.

(2) *It is a Continuing Decision*-A policy is a continuing decision. It remains in force and provides the answer to problems of recurring nature till it is changed. *For Example*-If it is the policy to management to fill vacancies in the organisation from within, departmental heads need not consult or take approval of the top executive again and again.

(3) *It is a Dynamic Plan*-There may be so many ways to reach the end point and the management chooses only one along which the managers and sub-ordinates are expected

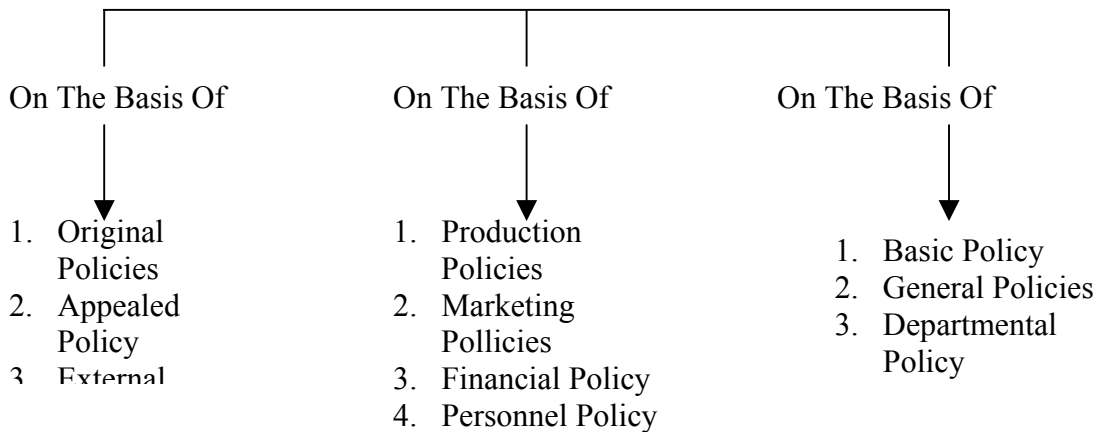


to move to reach the goals of the enterprise. Policy is not rigid like role. It has room for discretion on the part of those who are to be guided by them. It may be changed at anytime and replaced by a new policy at the particular level in the organisation at which it was originally framed.

### Kinds or Types or Classification of Policies

Policies may be of different types. They can be classified on the following basis:

#### POLICIES I



(1) *Originated Policies*-These policies are formulated by top managers. They tell subordinates how to act in a given situation and these policies have the support of organisational authorities and the subordinates can be asked to follow them strictly. Thus, they are basic policies.

(2) *Appealed Policy*-If on any matter, the sub-ordinate is not clear and has a doubt about his authority to handle a situation and if that subject-matter is not already covered by the existing policies, he may refer the matter for his superior's verdict. Superior's verdict generates appealed policy and thus becomes a guide for future action of the subordinates.

(3) *External or Imposed Policy*-Sometimes outside agencies like Government, trade associations, trade union etc., may also be instrumental in the formulation of the policy by the enterprise. *For Example*-If the government imposes a condition on the enterprises to reserve a certain percentage of jobs for the backward sections of society or for the persons within the state.

(4) *Functional Policies*-Policies which are formulated for various functional areas of management are known as functional policies.

- They are- (i) Financial Policies;  
 (ii) Production Policy;  
 (iii) Marketing Policy;  
 (iv) Personnel Policy.

(5) *Policies on the Basis of Levels*-Policies formulated on this basis may be basic policies meant to be used by top managers, general policies meant to be used normally by

middle managers and departmental policies meant to be used by the departmental managers or group leaders etc.

## **Formulation of Policies**

The formulation of policies takes place at various organisational levels. Some basic and important policies are developed by the top management while some are developed at middle level, management level. Following are some important considerations which should be taken into consideration while formulating the various policies:

- (1) Policies should be based on facts and not on guess work or intuition
- (2) To ensure successful implementation of policy, joint participation in policy-making should be encouraged. It means before formulating policies top manager in the organisation must consult the persons who are likely to be affected by them and are supposed to implement them.
- (3) It should be broad, general and basic not specific because they are guide to thinking and action. They should not lay down the detailed procedure of doing activities.
- (4) It must reflect the internal and external business environment. There must be an element of stability in them. It does not however, mean that they must not be changed. If there is a change in conditions on which these policies were based. Rigidities should be avoided to make policies realistic.
- (5) Policies should be in writing and the language of the policies should be intelligible to those who are supposed to implement them.
- (6) Different policies in the organisation should support one another. They must be in conformity with and not conflict with one another.
- (7) Policies should have general social objectives. They must not be detrimental to the interest of society, otherwise their implementation would be difficult.
- (8) Policies should be taught. Organisation members must understand them. Policies become meaningless if they are not endorsed by the person who are to be affected by them.

### *Factors Influencing Policy Determination*

There are internal and external factors which influence the policy determination and they are as follows:

#### *(A) THE INTERNAL FACTORS*

(1) *The Organisational Goals and Strategies-Policies* must be consistent with and contribute to organisational goals and strategies. In fact, policies are meant to operationalise and implement organisational goals and strategies.

(2) *Managerial Values-Organisational* policies are influenced to a great extent by the way in which managers perceive realities as also managerial beliefs of what is good and what is not. Managers, are considered as prime movers of organisations have their own systems of personal values (for example honesty and truth in advertising) perceptions and preferences.

(3) *Organisational Resources*-This resources, like finance, manpower, physical equipment and so on determine the capabilities and constraints of the organisation and they provide a basis for determination of policies. *For Example*-A competent managerial team is able to formulate a bold and dynamic set of policies and cut through obstacles in their implementation.

(4) *Organisational Structure*-It provides the basis 'for all managerial process including policy determination, by delimiting activities and authority roles and relationships and by providing needed staff support for exploration and development of policy options.

(5) *Organisational Politics*-It has been seen that human organisation cannot escape from being affected to some extent from internal power, dynamics and politics, rivalry for authority, status, influence, scarce resources, as also personality clashes, vested interests, jealousies and so on. Policy determination in organisation is also a political process of sub-optimisation, compromises tight-rope walking and so on.

#### B) EXTERNAL FACTORS

(1) *Socio-Political Factors*-Several groups in society are directly and indirectly interested in and affected by the functioning of organisations. They tend to exert some influence directly and through their representatives in government on organisations in their policy determination. *For Example*--Groups which advocate environmental safety, may pressurize manufacturing enterprises to go in for an antipollution policy. Government may bring in legislation to ensure product, safety and quality.

(2) *Product Market Factors*-Every organisation, whether business or non-business, has something to offer to society and has its own own clientele group of users. The policies determined by the individual organisation have to reflect the needs and expectations of its clientele group as also the conditions and behaviour of the product-market environment. *For example*-In the case of a business enterprise, the characteristics of its product market nature of demand and competition. type of customers, structure of industry and so on; influence its marketing policies in particular and other policies in general.

(3) *Resource Market Factors*-Organisations draw their input requirements from society and the external environment. Therefore, the nature and behaviour of markets for the organisations resources tend to behave an unmistakable influence on policy determination, for example, personnel policy, financial policy, purchase policy and so on.

#### CASE REGARDING POLICIES

##### Functional Policies Relating to East India Hotels Limited.

The case relates to a hotel namely East India Hotels Limited which own the Oberoi group of Hotels in the country. Within a very short period of time this hotel became number one hotel company in the private sector, because he followed and adopted the growth strategy and following policies.

( 1) *Locational policies*: The locational policy suggests that hotels should be located

in the busy area of the city. But the hotel located in the busy part of the city may involve higher limited costs and will be beneficial from long-term point of view. Further its policy should be to construct or acquire hotels of having rooms within the range of 300 to 550.

(2) *Foods and Beverages*: It should be the policy of the hotel company to serve foods and beverages of high quality with right blending. Its basic policy should be to keep or to attach at least one foreign cook or chef to each hotel to cater needs of foreign tourists.

(3) *Servicing*: As we are aware that hotel is a service industry therefore, the company should adopt the service of personalised service. Every person who comes to the hotel be treated as the guest of the hotel. It is essential that an attempt be made to develop sense of belongingness among the customer by emphasising the concept of "Our Hotel" instead of "my hotel"

(4) *Policy regarding room charges*: It should be the policy of the company to keep the room rent high in which 70 to 80 percent rooms should be let out at lower price and the remaining to individuals be at higher prices.

(5) *Financing*: It should be the policy of the company to do business without involving financial institutions. The right thing will be to work first with its own money and then to get public money in the form of deposits and debentures. In order to avoid interest burden the policy should be to collect dues if any at a faster rate and paying the outstanding if any.

(6) *Personnel*:

*Selection of Personnel*: The company should form a policy of selecting the best available personnel and training and developing them into the best suitable way. Therefore, the selection procedure of the company should be rigorous and in training, the person must be taught tricks of the trade; and the right type of attitude may be inculcated in the person towards the business to make it popular and profitable.

Employee will have to go through 2 weeks of Induction program after joining.

Appraisals will be done 6 monthly and Head of department will be responsible for appraisees' performance and Identification of training needs

(7) *The company must adopt the policy of decentralisation and delegation*: As the hotel is headed by a general manager who enjoys various authorities including the financial authority, each Hotel is considered as an independent unit and the general manager can make any decision within the overall framework of the hotel management and hotel rules and laws. Each hotel manager is delegated with the authority to spend 5 to 7 percent of revenue from his hotel over the essential expenditure of the hotel. To keep hotel neat, clean, tidy and attractive.

### Potential Conflict Between HR/Training Function And Business Management

Typically conflict needs managing between HR or training departments and performance management functions within the business. This is caused simply by the different aims of the departments, and needs understanding and cooperation on both sides in order to achieve successful training needs assessment, training design, planning, delivery and optimal take-up and implementation.

- most relevantly - management resisting release of staff for training due to day-to-day work demands
- culturally - short-term needs of performance management vs long-term outlook of HR
- HR have no line authority over trainees therefore cannot control training take-up
- Training is rarely well followed-through once delegates are back in jobs, despite HR efforts to achieve this via managers

HR budgets are often cut if profits come under pressure

POINTS TO PONDER:

## Design Learner-Friendly Training Manuals



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### Intro...

- Everyone knows a presenter has to dress to conduct a class. And why?
- The appearance of presentation materials is important as well
- Computers, color monitors, high-quality laser printers
- Documents that were considered acceptable several years ago....
- Here are some ways (10) training professionals can enhance the look of their handouts and their own image at the same time....

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### 1. Reproduce visuals, and provide space to take notes

- Difficult to copy a visual and absorb key messages.
- Reproduce visual image on paper
- Trainees can have more time to listen and to take notes

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## 2. Use charts and graphs to reinforce key messages

- Graphics improve the comprehension of underlying principles and maintain a viewer's interest.
- Modern word-processing programs support most common business graphics.
  - Bar charts
  - Pie charts
- More detailed line drawings and photos images can be imported



- Example: Service and operations manuals

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## 3. Design training materials to be convenient reference tools

- Important that the manual's organization and indexing method are easy to look up specific subjects.
- Most training materials will be used for subsequent reference beside during the course



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## 4. Use color to accelerate learning

- Color is the ideal companion to all training materials.
- Market research: color can increase learning and retention by up to 78%
- It also increases readership by 40%
- Color can be costly
- It does not mean to produce full-color images on every page of the document.
- Intelligent way of using color can achieve all benefits at an affordable, incremental cost.

Example: printing chapter headings in a color.  
Or highlight key sentences in a single color so viewers can easily find the key points.



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### 5. Customize content as much as possible

- Each training manual should contain materials specific to the topic or employees' responsibilities.
- Modern network printing options make it possible to generate high-quality materials in extremely small quantities
- With today's desktop PC make it fast and easy to cut and paste content electronically
- Remember in the case of training materials, bigger is not better!

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### 6. Put the recipient's name on the cover

- Put Attendee's name on the cover of a manual or booklet
  - Make attendee value and use the manual more.
- Send messages that the company views each participant as an individual.
  - Personalized approach is especially important for middle and upper level managers.

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### 7. Develop a guide for presenters

- A separate guide for facilitators provides helpful prompts and ensures that all presenters use a consistent approach.
- Facilitator guide should occupy two-thirds of the page with visuals.
- Remaining third lists prompts and key messages to accompany each visual
- Participant workbook is created from the facilitator guide by eliminating the prompts to allow space for notes.

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## 8. Make manual covers distinctive

- Many employees have several manuals on their desk.
- The cover and spine marking should quickly distinguish the content of each manual



Example: Home depot, cover designs and color-coded spine markings distinguish one type of manual from another.

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## 9. Choose a binding method that's durable and convenient

- Companies are switching from three-ring binders to spiral binding for smaller booklets.
- Participants say... Spiral-bound books are lighter and easier to use.
- Large manuals... binders are still the favorite choice because they last longer.



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## 10. Make sure your supplier can accommodate last-minute changes

- Digital printing systems let presenters make changes to materials up to a day or hours before a class is held
- Allowing a week for production is no longer necessary.
- In general, suppliers should be able to support one or two-day turnaround on routine jobs

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## Conclusion

Successful trainers use modern technology like the digital printing systems to improve the content and appearance of training materials. By putting in a few more dollars, a company can earn respect of internal and external customers by having a professional manuals and handouts.

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### ACTIVITY AND ASSIGNMENTS:

1. Explain various types of training.
2. What is Training Manual.
3. You are HRD Manager employed in BPO. The Company undergoing expansion plans. And going to employ about 1500 employees in near future. Your CEO had Design Training Manual.