MANAGEMENT OBJECTIVE

Ensure that training and development programs optimize employee productivity, enhance professional and personal development, and assist the entity in accomplishing its goals and objectives.

BACKGROUND

All entities strive for higher levels of organizational performance. The ongoing training and development of all employees plays a vital role in this quest for maximum efficiency and effectiveness. In fact, the process of training and developing human resources begins with new employee orientation and continues throughout the employee's tenure with the entity. Rapidly changing legal, technological, economic, and sociological environments further dictate that employees possess the knowledge and skills required by new and more demanding assignments (Chruden, p. 181).

OVERVIEW OF THE PROCESS

The basic phases of a training and development system are:

- **Develop a training and development plan that is linked to the entity's strategy.**
- **Develop a training and development budget.**
- **Establish a means of identifying and prioritizing training and development needs.**
- **Train the trainers and coordinate training and development efforts.**
- **Establish a method for evaluating the effectiveness of training and development programs.**
- **Document the training and development program.**
- **Review the training and development program to determine overall effectiveness and alignment with entity goals and objectives.**

PROCEDURES

Suggested procedures, organized according to the elements of a finding, are listed below. They should be expanded or tailored to fit the specific entity being reviewed.

Review criteria:
   General criteria

General criteria applicable to the training and development process are as follows:

The State Employee Training Act of 1969 provides that available public funds may be used for the education and training of state employees in programs related to either current or prospective duty assignments (Article 6252-11a, V.A.C.S.).

State law requires all state agencies, including public institutions of higher education, that have three or more complaints of employment discrimination during each year of the biennium to expend appropriated funds to receive training on compliance with state and federal laws prohibiting employment discrimination. Each agency shall pay all training costs or reimburse the Texas Commission on Human Rights for its costs associated with this training through interagency contracts (General Appropriations Act, Article V, Section 98). Other training and development provisions, generally applicable to specific entities, are usually included in each entity's appropriations in the General Appropriations Act.

Specific criteria

The criteria related to the basic phases of the training and development process are as follows:

Develop a training and development plan that is linked to the entity's strategy.
An entity should have both short-term and long-range training and development plans with both clearly stated objectives and a direct relationship to the entity's mission and goals. Training and development should begin with new employee orientation and continue throughout an employee's tenure.

Develop a training and development budget
The training and development budget should designate the amount of time and funds to be spent on the training and development program. Time and money used for training and development must be documented to ensure accountability of resources. The entity's timekeeping system should include time codes to track different kinds of training and development.

Establish a means of identifying and prioritizing training and development needs
Training and development needs may be identified through performance evaluations, quality assurance processes, or entity goals and objectives. Training and development plans should be aligned with entity goals and strategic direction. Management should identify weaknesses within the entity and address them through staff training and development. An entity's training and development needs should be prioritized based on a risk assessment of entity strengths and weaknesses.

Jobs must be analyzed to identify the knowledge, skills, and abilities needed to perform the job tasks required. Training and development should address the knowledge, skills, and abilities identified through such job analysis (American Compensation Association, *Job Analysis*, pp. 2.1-2.61, 1992).

Train the trainers and coordinate training and development efforts
Course instructors should be trained in their respective areas of instruction, appropriate training and development techniques, and course design. When a training and development program has components in a number of locations, coordination and communication between the various trainers are essential for maximum consistency and effectiveness of training and development efforts.

Establish a method for evaluating the effectiveness of training and development programs
The impact of training and development can be determined by evaluating:
●   Trainee reaction: How do the participants feel about the training and development?
●   Trainee learning: What knowledge and skills were learned? Was the information easily transferable to the job situation?
●   Trainee behavior: To what extent did on-the-job behavior change as a result of training and development? Is the trained behavior rewarded in the job

situation?

A system should exist to measure the knowledge and skills an employee gains from training and development. Procedures to measure training and development results include in-class evaluation forms, knowledge tests, performance appraisals, surveys, and interviews. Staff should receive the results of any tests in a timely manner (Kirkpatrick, pp. 17-19).

Document the training and development program
Documentation should include:
- Training and development plans: An entity should have a long-range training and development plan and annual short-term plans which tie into the long-range plan.
- Training and development schedule: A training and development schedule is necessary to prevent duplication of effort, especially if the entity has more than one site. The scheduling of courses should be appropriate, based on the entity's technical and strategic needs.
- Training and development records: The entity needs a method of tracking internal and external training and development given to its employees. These records must also track the Continuing Professional Education (CPE) credits needed by staff professionals. Record keeping is especially important if the entity must comply with federal or state requirements for specific job training and development within a certain time frame.
- Training and development policies: Policies should define how many hours of training and development per employee are required or allowed, eligibility guidelines for training and development, and policy for external training and development.

Review the training and development program to determine overall effectiveness and alignment with entity goals and objectives
Management must ensure that the training and development program meets the intended objectives and produces the desired results. The review process should include evaluation and review of course content, instructors, and training and development results and should compare the actual results achieved with anticipated goals and behavior changes.

Post-training studies should measure increased employee knowledge and skill. Some indications of effective training and development include higher performance appraisal ratings, fewer complaints, less time needed to perform tasks, and fewer errors in processing materials. A change in products and services delivered by the entity and customer reaction to these products and services can also measure the training and development program's overall effectiveness. Crucial to any evaluation or review of the training and development function is the clear understanding and documentation of the organization's reason for providing training and development to its employees.

The entity should review turnover records of employees by job position at least annually. An unacceptably high turnover rate could indicate a need for more effective training and development or other problem(s).

Assess Condition: Determine the actual processes used

Conduct interviews, observe operations, and identify and collect available documentation in order to gain an understanding of the entity's actual training and development process and controls. Included in the actual process are both official/unofficial and formal/informal processes and controls. An official process may exist even if it is not documented. Possible procedures include, but are not limited to:

- Determine how the entity plans its training and development and the relationship of the training and development plan to the strategic plan.
- Determine how the entity uses training and development to promote entity objectives and develop employees' careers.
- Obtain and review any manuals, policies, and forms used for the training and development process.
- Determine what type of training and development records are maintained.
- Obtain and review turnover reports by job position.
- Determine what type of training and development information is contained in the employee's personnel file.
- Determine how the entity evaluates its training and development program and individual classes and uses such evaluation information.
- Interview employees to determine their impressions and assessment of the effectiveness of the training and development program.
- Obtain information on the process the entity uses to review and evaluate its training and development processes and programs.

In addition to gaining an understanding of the actual process, also try to find out:
- how the participants view their own process
- what they think is important about the process, and why

This information may help identify causes and barriers.

Determine the strengths and weaknesses of the actual process

Using the tailored criteria, the understanding of the entity's process gained above, and the procedures in this section, analyze the actual process to determine if it:
- is designed to accomplish the management objective (this module, page 1)
- has controls that provide reasonable assurance that the process will work as intended
- is implemented and functioning as designed
- is actually achieving the desired management objective(s)

In executing these procedures, remember to identify and analyze both strengths and weaknesses.

Identify and review the steps in the actual process. Possible procedures include, but are not limited to:
- Determine if all major steps in the criteria are included in the actual process.
- Determine if all the steps in the process appear to add value. If there are steps that do not appear to add value, try to get additional information on why they are included in the process.
- Review the order of the steps in the process to determine if it promotes productivity.
- Review the level of technology used in the process to determine if it is up-to-date and appropriate to the task.

Identify the controls over the process and determine if the controls are appropriate, placed at the right point(s) in the process, timely, and cost effective. Possible procedures include, but are not limited to:
- Draw a picture of the process, the controls, and the control objectives (see the graphic of the procurement process in the Introduction for an example). Determine if the control objectives are in alignment with the management objective(s).
- Identify and analyze the controls over the effectiveness of entity training and development. (If the control is only at the end of the process, it won't be as effective in ensuring effectiveness.)
- Identify and analyze the controls used to make sure training and development are provided where needed.
- Determine how the course evaluation and system review processes feed back into training and development planning.

Review observations, interviews, documentation, and other evidence and design specific audit procedures as needed to determine if the process and/or the controls are functioning as designed. Depending upon the objectives of the project, these procedures may include both tests of controls and substantive tests. Possible procedures include, but are not limited to:
- Review training and development plans. Determine if training and development needs are actually communicated to management and training and development planners and used in such plans.
- Obtain copies of training and development course appraisals. Review documentation of subsequent training and development to determine if the

appraisals were actually used to adjust training and development to improve course effectiveness.

Analyze process reports over time for trends. Determine whether the information gained from the monitoring process is fed back AND is used to modify the system. Possible procedures include, but are not limited to:

- Review results of course evaluations. Determine if results improve or decline significantly over time.
- Review statistics on entity turnover rates by job type. Determine if results improve or decline significantly over time.

Determine causes

Determine what circumstances, if any, caused the identified weaknesses in the training and development process. Possible procedures include, but are not limited to:

- Determine if the participants in the training and development process understand its relationship to the entity's mission, goals, and values.
- Determine if the participants understand their role in the training and development process.
- If the process occurs at multiple locations, determine the nature and scope of the communication and coordination among them. For example, it should include measures to ensure the consistency of training and development at different locations.
- Determine if the relationship between the training and development process and other entity processes is clear.
- Determine if the training and development process has adequate human, dollar, time, and asset resources.
- If there are negative trends in the monitoring reports, determine if the reports are communicated to and used by all appropriate parties.

Determine what internal or external constraints or barriers, if any, must be removed in order to successfully overcome these weaknesses. Possible procedures include, but are not limited to:

- Determine if any key employees are unwilling to change the process and why they are unwilling.
- Review the applicable entity, state, or federal laws or regulations to determine if any of them prevent the necessary changes from being made in the process.
- Review staff turnover in lower-compensated classification levels. Unusually high turnover, despite adequate training and development, may be due to factors such as loss of food stamp eligibility when a salary increase occurs.

- Review turnover by classification type. Obtain copies of reports, if any, comparing pay levels to market rates. Non-competitive compensation in some classifications may result in elevated employee turnover despite competent and adequate training and development.

Determine effect	Determine the effect of each of the identified weaknesses in terms of dollars, impact on services (either quantity or quality), impact on citizens, impact on the economy, etc. Possible procedures include, but are not limited to:

- Identify benchmarks for the process in question and compare to actual performance. Quantify the difference, if possible.
- Estimate the cost before and after the proposed change and compare.
- Estimate the quantity and/or quality of services before and after the proposed change and compare.
- Identify the risks associated with not making the proposed change and quantify.

Develop recommendations	Use the tailored criteria, references in the resource section, the identified weaknesses, and the identified causes and barriers to develop specific recommendations to address the cause and correct the weaknesses. Possible procedures include, but are not limited to:

- Identify alternative solutions used by other entities.
- Identify solutions for removing barriers.
- Provide general guidelines as to the objectives each solution should meet. Then the entity can tailor the solution to its specific situation.
- Provide specific information, if available, on how each recommendation can be implemented.

RESOURCES	See the document titled "Resources" behind the last human resources module.