Impact of recession on training

Harika Putta

Asst.professor, MBA Department
Vignan Institute Of Technology And Science Deshmukhi Hyderabad

Abstract: *The advent of the era of liberalization, globalization, socio-economic, Geo-Political and Techno-Scientific trends, along with the advancements in information technology (IT) have transformed the world around us. It has brought to the center stage the importance of human resources, more than ever before. But it is boon and bane to the HR department because at good times employees are stated as Human resources and capital and at tougher times when the economy is showing a distinct sign of slowing the only department which has to tailor its activities and process cost-effectively is the HR department. The HR functions become imperative during recession. Training is a vehicle for human resource development "In hard times you need staff who can think on their feet and spot opportunities. Unless you have a well-trained workforce you will not be able to do that." This paper focus on the impact of recession on the training and its budget and how it is taken as a challenge by the HR division to regulate its day to day operations quantitatively and qualitatively.*
Key words: *Training, trainer, budgets, recession, economy, human resources*

I. Introduction

Training and development are essential for any organization to remain relevant and competitive in the marketplace. As the social and business environments shift over the years, firms need to become learning organizations. By investing in their employees, they ensure skills are up to date to meet the challenges of a changing environment. Human resources is expected to play a leading role in this environment by continuing to be more engaged than ever in developing and retaining talent, containing and reducing costs, and aligning its activities with the overall business strategy. But in tougher times this is a challenge to the HR department for delegating their responsibilities in a cost-effectively.

Most importantly training budgets are often the first areas to feel the Pressure. During these challenging economic times, companies are looking to reduce expenses to improve the bottom line. Some companies will eliminate their entire professional development budgets. Because training is the most expensive activity with regards to employee management though it has a larger impact on the operational efficiency of the company.

Type of research data: The data is taken from the secondary source of information.

Dimensions	During economic boom	During recession
Types of trainings	• Personal development • Education for freshers across functional and technical skills	• Project based training(specific to the project)
Training outlook	• Train at will across the board • Employer sponsored	• Self initiated
Trainers	• Heavy reliance on third party trainers	• Mostly In house
Training budgets	• High	• Very minimal

II. Some Of The Best Ways In Training In Economic Downturn

Employee Training Methods to Help Employees Be Their Best in a Economic Downturn

1. Streamline the employee training methods:

Employee training is often a source of unnecessarily lost resources. Refine your employee training program by leveraging technology tools available to your organization. Instead of paying an employee to fly to a short-term conference, have them participate virtually through an online training webinar. Tight budgets shouldn't mean a lack of employee training, just a more cost-effective way to deliver your employee training methods.

2. Reduce employee travel costs:

Work-related travel costs add up quickly when you are paying for flights, food, hotel accommodations, and rental cars. Decide which conferences and events are necessary for your organization to attend, then reduce your travel expenses by cutting out the non-essential journeys – even if only this year. Also, avoid extra costs by

skipping far away events or only sending key employees to professional gatherings and then ask them to share their knowledge with the rest of the organization.

3. Provide employee training using internal talent:

This is a no-brainer, right? You would think. However, a lot of companies find themselves outsourcing training that their own employees are very capable of handling. Find smaller, simpler ways to leverage employee talent that can save your organization a lot of money. Have your employees train each other with learning sessions. For example, if you have a few employees who want to learn more about PowerPoint, you can have those employees that are PowerPoint gurus teach their fellow employees, instead of hiring someone else to lead a course.

4. Use an employee assistance program:

During times of extra stress, an employee assistance program provides employee counseling, employee workshops, as well as referrals to legal systems with pre-paid benefits and help with debt management. Employee assistance programs support your efforts to ensure that, despite stressful economic circumstances, employees feel secure and are able to be productive..

5. Manage your liabilities:

Are you employees well aware of all of your company's liability policies? Workers compensation, disability, and unemployment benefits all tend to increase in stressful economic climates. Talk with insurers to see how you can reduce the cost in these liabilities, and communicate with your employees so they know exactly what benefits are available to them.

III.   Cost-Effective Trainning Methods

Computer aided learning systems can be used in an instructional role or in the examination of academic performance. Such systems can be used in either group or one on one situation, and may or may not require the presence of the instructor. These systems increasingly use an interactive multimedia format and are usually self paced, with the user controlling the speed of the training lesson. Given the current economic climate, computer aided learning offers a number of advantages over more traditional training methods, including:

a. cost effectiveness
b. quality of training that is controlled and consistent
c. courseware can be distributed to any part of a large organization, and
d. Course ware can be modified to meet changing needs.

IV.   Virtual 3d Space Training

Computer-based training has proven to be a cost effective way to train large numbers of people with minimal time disruptions and maximized return on financial investment. No travel, no hotels, no unnecessary time away from work.

But traditional live (face-to-face) training sparks great ideas and strengthens personal connections—a benefit that is often missing from e-learning. *Training in 3D* environments puts the spark back into virtual training. *It takes e-learning to the next level*

V.   Face- face training

Sometimes training events are about more than just gaining new skills and information. Sometimes they're also about establishing and reinforcing the human connections that hold organizations together. Whether it's because you're in growth mode and working to incorporate new people into the corporate culture, or launching a new program, a face-to-face meeting can get things off, and keep them, on the right foot.
Our experience with

• Team building
• Planning and facilitating interactive, interpersonal large- and small-scale meetings
• Creating and leading powerful experiential exercises and
• Designing easily understandable, memorable content

… gives us the knowledge, skills and abilities to make your face-to-face events transformative. After the event, when everyone has gone back to their work-sites, we will follow up with virtual events, using 3D and/or Webinar platforms to expand the impact of the face-to-face event.

VI.   Webinars and self-paced workshops

These methods are proven traditional forms of e-learning that save organizations time and money. They offer the added advantage of enabling many more people to access training without additional costs.

To make our Webinars and self-paced workshops *effective, engaging and memorable*, and because a picture IS worth a thousand words, we carefully synchronize:

- Graphics
- Key words
- Audio

… to reinforce key points of the training in ways that make the lessons easy to follow and easy to remember. We incorporate interactive segments into our e-learning programs to reinforce learning and enhance comprehension.

We create short, effective, just-in-time learning workshops using leading e-learning software programs, Adobe Captivate and Articulate. These workshops can be accessed at the employees' convenience from any computer to learn what they need, when they need it.

VII. Mobile and Social Learning

In our increasingly mobile society, organizations are faced with the need to make training accessible from virtually anywhere. The Mobile learning element of our Blended Learning program takes into account the mobility of learners and instructors by taking advantage of hand-held devices, such as Smart phones and tablets. Our programs utilize these devices to provide just-in-time information and "on-the-job" support, giving employees immediate access to information that reinforces what has been taught through more traditional training methods.

Mobile learning also plays a role in social or informal learning within organizations, making it easy for people working from different locations to share knowledge. Social Learning, as part of a blended learning approach, uses social media technology, taking into account that adults learn through working together and sharing knowledge with each other.

Training in the 21st Century offers mobile and social learning as components of our blended learning approach through the use of:

- Custom-designed mobile applications
- Videos
- Podcasts
- Internal Blogs, Wikis and social media networks
- Video Chats
- Twitter chats
- And others

VIII. Conclusion

Today, many organizations are facing a major problem in providing high quality training in an environment governed by decreasing resources in terms of budget, equipment, qualified manpower and training time. Cost effective and efficient solutions are to be found in order to overcome the tight situations. Computer aided learning and interactive multimedia technology provide such a solution. Overseas, these systems are being used by military training establishments, with new research programs defining the way ahead. Economic Forces Are Squeezing Growth Potential But HR Can Unlock a Prosperous Future

References

[1]. Vitae Researcher development conference, 2008 www.vitae.ac.uk/policy-practice/13491/Vitae-Researcher-Development-Conference-2008.html.
[2]. Effectiveness of Employees: Training and Development in Manufacturing Industries (A Case Study of East Godavari District, Andhra Pradesh)
[3]. Impact of Training Practices on Employee Productivity: A Comparative Study
[4]. The Impact of the Economic Recession on HR
[5]. Leadership Training and Network Formation: The evolution of the LEAD process
[6]. http://www.workforce.com/articles/training-is-taking-a-beating-in-recession-studies-find Employers Maintain Training Budgets Despite Recession, Research Shows
[7]. A (Weary) Champion for Employee Investment iworkforce Management, i May 2010
[8]. Gold MR, Siegel JE, Russell LB, Weinstein MC. Cost-Effectiveness in Health and Medicine. Oxford University Press; Oxford, UK: 1996