

Chapter 02 Strategic Training

Student: _____

1. Which of the following is not a metric McCormick & Company uses to evaluate the effectiveness of training and development?
- A. Turnover rate
 - B. Dollar impact of MMB project results
 - C. How many employees have been promoted
 - D. How many employees are in the multiple management board

2. Personal knowledge based on individual experience is called:
- A. explicit knowledge.
 - B. tacit knowledge.
 - C. SWOT.
 - D. learning.

3. Noe argues that providing _____ training gives organizations a competitive advantage.
- A. on-line
 - B. instructor-led
 - C. tacit knowledge
 - D. explicit knowledge

4. All of the following except _____ is an implication of an emphasis on learning vs. training as an event.
- A. learning must be related to achieving business goals
 - B. companies need to support more informal learning
 - C. companies need to provide psychological support for learning
 - D. companies need to anticipate needs and plan more formal training

5. According to Noe, the component(s) of human capital that creates the greatest value for business is:
- A. cognitive knowledge and advanced skills.
 - B. system understanding and self-motivated creativity.
 - C. conscientiousness and cognitive knowledge.
 - D. self-motivated creativity.

6. _____ may specify customers served and values received by customers.

- A. Vision
- B. Values
- C. Mission
- D. Goals

7. In the strategic training and development process, all except _____ are examples of metrics showing the value of training.

- A. improved quality
- B. employee satisfaction
- C. reduced turnover
- D. increased participation in training programs

8. Which of the following are good metrics for demonstrating the strategic value of training?

- A. Number of hours of training conducted in the past fiscal year
- B. Training costs were within budgeted amount
- C. Average cost per hour of training
- D. Time spent filling management positions

9. A balanced scorecard considers four different perspectives:

- A. customer, internal, innovation and learning, and financial.
- B. metrics, measurement, SWOT, customers.
- C. financial, physical, tacit, and explicit.
- D. internal customers, management, government regulators, and shareholders.

10. All of the following except _____ are metrics that can be used to assess training's contribution to a balanced scorecard.

- A. employees trained divided by total number of employees
- B. time-to-market of new products
- C. total training costs divided by total training hours
- D. total training costs divided by number of employees trained

11. Line managers spend more time _____ than midlevel managers or executives.

- A. monitoring the business environment
- B. planning and allocating resources
- C. managing individual performance and developing employees
- D. coordinating interdependent units

12. The _____ duties of traditional managers and managers of high-performance work teams are most similar.

- A. managing individual performance and creating and maintaining trust
- B. facilitating decision-making and managing group performance
- C. plan and allocate resources and creating and maintaining trust
- D. monitor the business environment and manage alignment

13. _____ has been shown to be related to managers' failure to advance in their careers.

- A. A lack of people skills
- B. The inability to develop employees
- C. The inability to think strategically
- D. Poor problem solving

14. Studies suggest all but _____ positively influence employee retention.

- A. working with good colleagues
- B. good insurance and retirement benefits
- C. challenging job assignments
- D. opportunities for growth and development

15. The type of training an organization offers and the resources provided are influenced by the HR functions:

- A. job analysis and human resource planning.
- B. compensation and benefits.
- C. staffing and human resource planning.
- D. performance management and human resource planning.

16. The _____ type of organization is least likely, compared the other three types of organizations, to have an emphasis on training.

- A. fortress
- B. academy
- C. club
- D. baseball team

17. Human resource planning:

- A. eliminates the need for training.
- B. allows the company to anticipate human resource needs and where training can prepare employees for increased responsibilities.
- C. allows the company to determine in advance who will be trained and who will be let go from the company.
- D. involves having employees plan their career paths.

18. Team building is a common training implication of _____ and _____ strategies.

- A. concentration, external growth
- B. disinvestment, external growth
- C. internal growth, concentration
- D. concentration, disinvestment

19. A concentration business strategy:

- A. focuses on acquiring other businesses.
- B. involves selling off company assets.
- C. focuses on innovation.
- D. emphasizes increasing market share.

20. Which of the following is not an advantage of centralized training?

- A. The lowest cost training model
- B. Drives a strong alignment with business strategy
- C. Allows development of common metrics to assess quality
- D. Elimination of course duplication and variation

21. The customer model approach to organization of a training department involves:

- A. organizing a company to interface with customers.
- B. asking customers what training employees need.
- C. organizing the training department so that there is a training component for each functional unit or division of the firm.
- D. focusing training initiatives on customer service.

22. The customer model of training department organization:

- A. involves customers delivering training.
- B. requires trainers to report to two managers.
- C. requires no training director or administrator.
- D. requires trainers to understand a functional area of the company as well as understanding instruction.

23. Disadvantages of the faculty model of organizing training include all except:

- A. the training function does not fit the organization's needs.
- B. the content of training may lack meaning for trainees.
- C. trainers may be unwilling to adapt program content.
- D. it is difficult for the training department to plan content of programs.

24. The customer model of training department organization:

- A. involves customers delivering training.
- B. requires trainers to report to two managers.
- C. requires no training director or administrator.
- D. requires trainers to understand a functional area of the company as well as understanding instructional design.

25. The corporate university model approach to organizing the training function:

- A. centralizes training to ensure that the best training practices are used company wide.
- B. involves sending trainees back to school.
- C. involves reimbursing trainees for attending college courses.
- D. is essentially the same as the faculty model.

26. Noe argues that the trend in organization of training, particularly among companies with separate business units is _____ model.

- A. the matrix
- B. a combination of the customer model and the business-embedded business
- C. the corporate university
- D. a blend of the business-embedded model and corporate university

27. The business-embedded model:

- A. emphasizes classroom training.
- B. de-emphasizes the role of the manager in training.
- C. involves all people in the training process to communicate and share resources.
- D. abandons the notion of customer-orientation.

28. At McCormick and Company, performance evaluations for all managers include the competency, attracting and developing talent.

True False

29. Despite McCormick and Company's commitment to the strategic importance of training and development, the training budget was cut 5% following Hurricane Katrina.

True False

30. Due to IBM's work-embedded learning, the amount of time spent on training and development has declined.

True False

31. Noe argues that traditional training usually fails to improve workplace performance.

True False

32. Strategic development initiatives are very similar across companies since they represent best practices.

True False

33. A strategic training and development initiative would involve providing training to suppliers, vendors and customers not just employees.

True False

34. The question, "Will the senior management team publicly support and champion training and development?" should be asked to develop strategic training and development initiatives.

True False

35. Operating efficiency and employee satisfaction are examples of the internal perspective in a balanced scorecard.

True False

36. Regardless of their level in the company, all managers are expected to serve as spokespersons to other work units, managers, and vendors.

True False

37. To manage successfully in a team environment, managers need to be trained in people skills.

True False

38. Top management supports training in many ways such as providing vision, serving as sponsor, governor and marketing agent but relies on experts and trainers for subject matter expertise and training.

True False

39. In highly integrated businesses, training likely includes rotating employees between jobs in different businesses.

True False

40. There is a trend for companies in many industries to use training and development to attract new employees and retain current workers.

True False

41. The places a company prefers to obtain human resources to fill open positions is called assignment flow.

True False

42. An emerging trend is companies expect employees to initiate the training process.

True False

43. A disadvantage of the customer model of training organization is training material is likely to be less meaningful for trainees than that delivered under the faculty model.

True False

44. Training is centralized in the corporate university model.

True False

45. The first step in creating a corporate university is to develop metrics.

True False

46. Among the strengths of the business-embedded model is its customer orientation, customized solutions, and accountability for training outcomes.

True False

47. Research shows that a company's satisfaction with outsourcing of training and development depends on company-supplier trust and contract specificity.

True False

48. Describe the strategic training and development process and provide examples of each component.

49. What are the key training issues that accompany each of the four business strategies?

- a. Concentration
- b. Internal growth
- c. External growth
- d. Disinvestment

50. Discuss the various models for training department organization. What are the strengths and weaknesses of each?

51. Compare the traditional training department with the Business-embedded training organization.

52. Economic conditions are challenging for your company and the CEO is looking for ways to reduce costs yet not sacrifice product and service quality. She has asked you to explore outsourcing at least part of training. What questions should you examine when considering outsourcing training?

Chapter 02 Strategic Training **Key**

1. (p. 53) Which of the following is not a metric McCormick & Company uses to evaluate the effectiveness of training and development?

- A.** Turnover rate
- B. Dollar impact of MMB project results
- C. How many employees have been promoted
- D. How many employees are in the multiple management board

Difficulty: Difficult
Noe - Chapter 02 #1

2. (p. 56) Personal knowledge based on individual experience is called:

- A. explicit knowledge.
- B.** tacit knowledge.
- C. SWOT.
- D. learning.

Difficulty: Medium
Noe - Chapter 02 #2

3. (p. 57) Noe argues that providing _____ training gives organizations a competitive advantage.

- A. on-line
- B. instructor-led
- C.** tacit knowledge
- D. explicit knowledge

Difficulty: Medium
Noe - Chapter 02 #3

4. (p. 57) All of the following except _____ is an implication of an emphasis on learning vs. training as an event.

- A. learning must be related to achieving business goals
- B. companies need to support more informal learning
- C. companies need to provide psychological support for learning
- D.** companies need to anticipate needs and plan more formal training

Difficulty: Difficult
Noe - Chapter 02 #4

5. (p. 58) According to Noe, the component(s) of human capital that creates the greatest value for business is:
- A. cognitive knowledge and advanced skills.
 - B. system understanding and self-motivated creativity.**
 - C. conscientiousness and cognitive knowledge.
 - D. self-motivated creativity.

Difficulty: Difficult
Noe - Chapter 02 #5

6. (p. 59) _____ may specify customers served and values received by customers.
- A. Vision
 - B. Values
 - C. Mission**
 - D. Goals

Difficulty: Medium
Noe - Chapter 02 #6

7. (p. 59) In the strategic training and development process, all except _____ are examples of metrics showing the value of training.
- A. improved quality
 - B. employee satisfaction
 - C. reduced turnover
 - D. increased participation in training programs**

Difficulty: Medium
Noe - Chapter 02 #7

8. (p. 67) Which of the following are good metrics for demonstrating the strategic value of training?
- A. Number of hours of training conducted in the past fiscal year
 - B. Training costs were within budgeted amount
 - C. Average cost per hour of training
 - D. Time spent filling management positions**

Difficulty: Medium
Noe - Chapter 02 #8

9. (p. 67) A balanced scorecard considers four different perspectives:
- A.** customer, internal, innovation and learning, and financial.
 - B. metrics, measurement, SWOT, customers.
 - C. financial, physical, tacit, and explicit.
 - D. internal customers, management, government regulators, and shareholders.

Difficulty: Easy
Noe - Chapter 02 #9

10. (p. 68) All of the following except _____ are metrics that can be used to assess training's contribution to a balanced scorecard.
- A. employees trained divided by total number of employees
 - B.** time-to-market of new products
 - C. total training costs divided by total training hours
 - D. total training costs divided by number of employees trained

Difficulty: Easy
Noe - Chapter 02 #10

11. (p. 69) Line managers spend more time _____ than midlevel managers or executives.
- A. monitoring the business environment
 - B. planning and allocating resources
 - C.** managing individual performance and developing employees
 - D. coordinating interdependent units

Difficulty: Medium
Noe - Chapter 02 #11

12. (p. 69-70) The _____ duties of traditional managers and managers of high-performance work teams are most similar.
- A. managing individual performance and creating and maintaining trust
 - B. facilitating decision-making and managing group performance
 - C. plan and allocate resources and creating and maintaining trust
 - D.** monitor the business environment and manage alignment

Difficulty: Difficult
Noe - Chapter 02 #12

13. (p. 70) _____ has been shown to be related to managers' failure to advance in their careers.

- A.** A lack of people skills
- B. The inability to develop employees
- C. The inability to think strategically
- D. Poor problem solving

Difficulty: Medium
Noe - Chapter 02 #13

14. (p. 72) Studies suggest all but _____ positively influence employee retention.

- A. working with good colleagues
- B.** good insurance and retirement benefits
- C. challenging job assignments
- D. opportunities for growth and development

Difficulty: Difficult
Noe - Chapter 02 #14

15. (p. 73) The type of training an organization offers and the resources provided are influenced by the HR functions:

- A. job analysis and human resource planning.
- B. compensation and benefits.
- C.** staffing and human resource planning.
- D. performance management and human resource planning.

Difficulty: Medium
Noe - Chapter 02 #15

16. (p. 73-74) The _____ type of organization is least likely, compared the other three types of organizations, to have an emphasis on training.

- A. fortress
- B. academy
- C. club
- D.** baseball team

Difficulty: Difficult
Noe - Chapter 02 #16

17. (p. 74) Human resource planning:

- A. eliminates the need for training.
- B.** allows the company to anticipate human resource needs and where training can prepare employees for increased responsibilities.
- C. allows the company to determine in advance who will be trained and who will be let go from the company.
- D. involves having employees plan their career paths.

Difficulty: Easy
Noe - Chapter 02 #17

18. (p. 76-77) Team building is a common training implication of _____ and _____ strategies.

- A.** concentration, external growth
- B. disinvestment, external growth
- C. internal growth, concentration
- D. concentration, disinvestment

Difficulty: Difficult
Noe - Chapter 02 #18

19. (p. 76-77) A concentration business strategy:

- A. focuses on acquiring other businesses.
- B. involves selling off company assets.
- C. focuses on innovation.
- D.** emphasizes increasing market share.

Difficulty: Difficult
Noe - Chapter 02 #19

20. (p. 79) Which of the following is not an advantage of centralized training?

- A.** The lowest cost training model
- B. Drives a strong alignment with business strategy
- C. Allows development of common metrics to assess quality
- D. Elimination of course duplication and variation

Difficulty: Medium
Noe - Chapter 02 #20

21. (p. 81) The customer model approach to organization of a training department involves:

- A. organizing a company to interface with customers.
- B. asking customers what training employees need.
- C.** organizing the training department so that there is a training component for each functional unit or division of the firm.
- D. focusing training initiatives on customer service.

Difficulty: Medium
Noe - Chapter 02 #21

22. (p. 81) The customer model of training department organization:

- A. involves customers delivering training.
- B. requires trainers to report to two managers.
- C.** requires no training director or administrator.
- D. requires trainers to understand a functional area of the company as well as understanding instruction.

Difficulty: Medium
Noe - Chapter 02 #22

23. (p. 80) Disadvantages of the faculty model of organizing training include all except:

- A. the training function does not fit the organization's needs.
- B. the content of training may lack meaning for trainees.
- C. trainers may be unwilling to adapt program content.
- D.** it is difficult for the training department to plan content of programs.

Difficulty: Medium
Noe - Chapter 02 #23

24. (p. 81) The customer model of training department organization:

- A. involves customers delivering training.
- B. requires trainers to report to two managers.
- C. requires no training director or administrator.
- D.** requires trainers to understand a functional area of the company as well as understanding instructional design.

Difficulty: Medium
Noe - Chapter 02 #24

25. (p. 82-83) The corporate university model approach to organizing the training function:
- A. centralizes training to ensure that the best training practices are used company wide.
 - B. involves sending trainees back to school.
 - C. involves reimbursing trainees for attending college courses.
 - D. is essentially the same as the faculty model.

Difficulty: Difficult
Noe - Chapter 02 #25

26. (p. 88) Noe argues that the trend in organization of training, particularly among companies with separate business units is _____ model.
- A. the matrix
 - B. a combination of the customer model and the business-embedded business
 - C. the corporate university
 - D. a blend of the business-embedded model and corporate university

Difficulty: Medium
Noe - Chapter 02 #26

27. (p. 88) The business-embedded model:
- A. emphasizes classroom training.
 - B. de-emphasizes the role of the manager in training.
 - C. involves all people in the training process to communicate and share resources.
 - D. abandons the notion of customer-orientation.

Difficulty: Medium
Noe - Chapter 02 #27

28. (p. 53) At McCormick and Company, performance evaluations for all managers include the competency, attracting and developing talent.
- TRUE**

Difficulty: Easy
Noe - Chapter 02 #28

29. (p. 53) Despite McCormick and Company's commitment to the strategic importance of training and development, the training budget was cut 5% following Hurricane Katrina.
- FALSE**

Difficulty: Difficult
Noe - Chapter 02 #29

30. (p. 54) Due to IBM's work-embedded learning, the amount of time spent on training and development has declined.

FALSE

Difficulty: Difficult
Noe - Chapter 02 #30

31. (p. 56) Noe argues that traditional training usually fails to improve workplace performance.

TRUE

Difficulty: Medium
Noe - Chapter 02 #31

32. (p. 62) Strategic development initiatives are very similar across companies since they represent best practices.

FALSE

Difficulty: Medium
Noe - Chapter 02 #32

33. (p. 62) A strategic training and development initiative would involve providing training to suppliers, vendors and customers not just employees.

FALSE

Difficulty: Easy
Noe - Chapter 02 #33

34. (p. 64) The question, "Will the senior management team publicly support and champion training and development?" should be asked to develop strategic training and development initiatives.

TRUE

Difficulty: Easy
Noe - Chapter 02 #34

35. (p. 68) Operating efficiency and employee satisfaction are examples of the internal perspective in a balanced scorecard.

FALSE

Difficulty: Difficult
Noe - Chapter 02 #35

36. (p. 69) Regardless of their level in the company, all managers are expected to serve as spokespersons to other work units, managers, and vendors.

TRUE

Difficulty: Easy
Noe - Chapter 02 #36

37. (p. 70) To manage successfully in a team environment, managers need to be trained in people skills.

TRUE

Difficulty: Easy
Noe - Chapter 02 #37

38. (p. 70) Top management supports training in many ways such as providing vision, serving as sponsor, governor and marketing agent but relies on experts and trainers for subject matter expertise and training.

FALSE

Difficulty: Medium
Noe - Chapter 02 #38

39. (p. 71) In highly integrated businesses, training likely includes rotating employees between jobs in different businesses.

TRUE

Difficulty: Medium
Noe - Chapter 02 #39

40. (p. 72) There is a trend for companies in many industries to use training and development to attract new employees and retain current workers.

TRUE

Difficulty: Easy
Noe - Chapter 02 #40

41. (p. 73) The places a company prefers to obtain human resources to fill open positions is called assignment flow.

FALSE

Difficulty: Medium
Noe - Chapter 02 #41

42. (p. 75) An emerging trend is companies expect employees to initiate the training process.

TRUE

Difficulty: Easy
Noe - Chapter 02 #42

43. (p. 81) A disadvantage of the customer model of training organization is training material is likely to be less meaningful for trainees than that delivered under the faculty model.

FALSE

Difficulty: Medium
Noe - Chapter 02 #43

44. (p. 83) Training is centralized in the corporate university model.

TRUE

Difficulty: Medium
Noe - Chapter 02 #44

45. (p. 85) The first step in creating a corporate university is to develop metrics.

FALSE

Difficulty: Hard
Noe - Chapter 02 #45

46. (p. 86-87) Among the strengths of the business-embedded model is its customer orientation, customized solutions, and accountability for training outcomes.

TRUE

Difficulty: Difficult
Noe - Chapter 02 #46

47. (p. 92) Research shows that a company's satisfaction with outsourcing of training and development depends on company-supplier trust and contract specificity.

TRUE

Difficulty: Easy
Noe - Chapter 02 #47

48. (p. 58-59) Describe the strategic training and development process and provide examples of each component.

See Fig. 2.2

Difficulty: Medium
Noe - Chapter 02 #48

49. (p. 67-68, Table 2-7) What are the key training issues that accompany each of the four business strategies?

- a. Concentration
- b. Internal growth
- c. External growth
- d. Disinvestment

1. Concentration business strategy focuses on increasing market share and maintaining or creating a market niche. Training implications include the need for team building, cross-training, specialized programs, interpersonal skills training, and on-the-job training.

2. Internal growth business strategy focuses on product development and innovation. Training implications include the need for training to support or promote high quality communication of product value, cultural training, developing a company culture that embraces creativity, technical skills training, manager training in feedback and communication.

3. External growth business strategy focuses on acquiring firms and horizontal and vertical integration. Training implications include the need for training in conflict resolution skills, determining capabilities of employees in newly acquired firms, the integration of training systems of multiple firms, and team building.

4. Disinvestment business strategy focuses on reducing costs and assets by divestiture or liquidation. Training implications include the need for time and stress management, cross training, motivation and goal setting, leadership training, interpersonal skills training, outplacement assistance, and job search skills training.

Difficulty: Easy
Noe - Chapter 02 #49

50. (p. 79-88.) Discuss the various models for training department organization. What are the strengths and weaknesses of each?

1. The Faculty Model of training department organization employs a structure like a college. The department is headed by a director under whom there is a staff of experts with highly specialized knowledge of particular topics or skill areas. Each expert develops and delivers training in his/her area of expertise. Strengths of this model include the available expertise, and the ease of planning programs around areas of expertise. Weaknesses include potentially not meeting the needs of the company—building programs based on expertise rather than needs, trainees may not be motivated to learn if the training content doesn't match business needs, and training dollars may be spent on unnecessary training.
2. The Customer Model of training department organization involves having a training function for each division or function of the firm. Strengths include that this organizes training by business needs, trainers should be in tune with business needs and plan training programs accordingly, trainees are more likely to find the training content meaningful. Weaknesses include trainers needing to spend significant time learning about the function they serve before they can effectively serve them, there may be redundancy in the training provided across functions, and the programs may vary in effectiveness across functional areas because it is difficult for the training director to oversee each functional area to maintain quality across areas, employees from the functional area may serve as trainers, but lack training in instructional design and learning theory.
3. The Matrix Model of training department organization involves having trainers report both to a training director and a functional area manager. Thus, the trainer must be both a training expert and an expert in a functional area. Strengths include the link to business needs, the expertise each trainer has in a functional area, and the likelihood that the trainer will also stay current in the training field. Weaknesses of this model include the greater time demands on the trainer and conflicts due to reporting to two managers.
4. The corporate university model of training department organization broadens the client group beyond employees and managers to include community colleges, universities, grade schools and high schools and offers a wider range of programs than other models. It centralizes "best training practices" to use them company wide. Training policies and practices are consistent and efficient. Strengths include the dissemination of best training practices, the alignment of training with business needs, integration of training initiatives and the effective use of new training methods and technology. Weaknesses include time-consuming and fairly costly start-up.
5. The business-embedded (BE) model is characterized by five competencies: strategic direction, product design, structural versatility, product delivery, and accountability for result. BE training function not only views trainees as customers but also views managers as customers who make decisions to send employees to training and views senior-level managers as customers who allocate money for training. It takes more responsibility for learning and evaluating training effectiveness, provides customized training solutions based on customer needs, and determines when and how to deliver training based on customer needs.

51. (p. 86-88.) Compare the traditional training department with the Business-embedded training organization.

See Table 2.8

Compared to a traditional training department, a BE function is customer focused. It takes more responsibility for learning and evaluating training effectiveness, provides customized training solutions based on customer needs, and determines when and how to deliver training based on customer needs.

The most noticeable difference between a BE function and a traditional training department is its structure. The traditional training organization tends to operate with a fixed staff of trainers and administrators who perform very specific functions such as instructional design. In traditional training departments developers and instructors often take a "silo" approach, focusing only on their particular responsibilities. This approach can hinder the development of successful training programs. In BE training functions all persons who are involved in the training process communicate and share resources. Trainers—who are responsible for developing training materials, delivering instruction, and supporting trainees—work together to ensure that learning occurs.

Difficulty: Medium
Noe - Chapter 02 #51

52. (p. 91-92.) Economic conditions are challenging for your company and the CEO is looking for ways to reduce costs yet not sacrifice product and service quality. She has asked you to explore outsourcing at least part of training. What questions should you examine when considering outsourcing training?

First, a recent SHRM survey found that 57% of HR and training professionals outsource some or all of their training and the trend toward outsourcing is growing. However, most outsource only small projects not all of T & D. Two reasons companies do not outsource their training are (1) the inability of outsourcing providers to meet company needs and (2) companies' desire to maintain control over all aspects of training and development, especially delivery and learning content.

See Table 2.9 for questions to ask before outsourcing.

Difficulty: Medium
Noe - Chapter 02 #52

Chapter 02 Strategic Training Summary

<u>Category</u>	<u># of Questions</u>
Difficulty: Difficult	13
Difficulty: Easy	12
Difficulty: Hard	1
Difficulty: Medium	26
Noe - Chapter 02	52