Chapter IV

ANALYSIS

4.1. STUDY 1.A - NUTRINE CONFECTIONERY COMPANY

4.1.1. Introduction

Till December, 2012 Nutrine Confectionery was a subsidiary of joint venture Company called Godrej Hershey India Limited. The rise in the prices of the commodities such as sugar, glucose, malt, flavors and packing material resulted in high cost of production and made the company to face financial problems (Exhibit 1). In order to increase the financial condition of the company it was decided to increase the price of three major brands from INR .50 to INR 1. Accordingly the price change was implemented in June, 2012 expecting that other confectionery companies will also increase their price (Exhibit 2). Hershey taken over 100 per cent shares of the company by cancelling the joint venture and accordingly Nutrine Confectionery Company became subsidiary of Hershey India Pvt. Ltd. Hershey management had financial review and identified that the manufacturing cost was high compared to the competitors. As a measure to bring down the said high cost and make the company viable, introduced automation in manufacturing activity and implemented manpower rationalization by reducing manpower from 800 to 350 (Exhibit 4). In spite of corrective actions taken up by Hershey Management still the company was facing problems in all the functional areas. Even though employees were aware that there was a fall in the sales volume, the employees were reluctant to co-operate the management to cut the high cost areas.

Mr. B. Giasuddin, Associate Vice President Operations, stated that ‘the manufacturing cost of Nutrine product per kilogram was INR 38, whereas the cost of production for competitors for similar product per kilogram was INR 18 to 20.’
The top management of the company was in dilemma to continue the production by redesigning the training objectives, training activities and by implementing the training evaluation or to stop the production by giving the production to a third party.

4.1.2. Brief History of Nutrine Confectionery Company

Chittoor District was in Andhra Pradesh adjoining to Karnataka and Tamil Nadu states. This District was in advantageous Horticulture belt where tropical Fruits like Mango and Papaya grow in abundance. Farmers depend on Sugar cane farming and Milk business since they found more greenery throughout the year. Mango Pulp making, Milk Processing Industries were more in number in this region. This region had many large scale Manufacturing Industries including that of Sugar. Nutrine was one of such large Companies, which was engaged in making and selling confectionery products. The founder of the Nutrine Confectionery Company was Late B. V. Reddy, who was a landlord with huge agricultural land and was into a business of manufacturing and sale of Pure Groundnut edible oil under the name of B V Reddy & Sons. The oil made by B V Reddy & Sons was considered to be the best in Quality among the edible oils made in India during the years of 1940 – 1960 and was supplied to the outlets from Chennai to New Delhi. Mr. B V Reddy had a long cherished wish to start a Sugar Factory at Chittoor Town in the year 1946 since this District produces potentially large quantities of Sugar cane. It was a proposal to generate enthusiasm amongst the cane growers of the area, who valued him for his proven ability and integrity. He didn’t start the sugar Unit for some Administrative reasons even though he was sanctioned a License. The Sugar Factory’s were encouraged in Co-operative sector in those days. By that time B V Reddy’s son was a Post Graduate in food technology from US. Since they could not start a sugar factory, they were seriously contemplated to start a Company related to Sugar. Thus Nutrine Confectionery Company began as an idea around 1950 and became reality in 1953. Well-meaning friends, as also skeptics, told B V Reddy that he was taking a risk by starting a Confectionery business in India, which was a new concept. But Mr. B V Reddy said, “There must be room for one better brand in this vast Country”. The company was started in a low profile and having much of operations run on a manual basis. The Company was grown consistently in a slow phase during the years 1960 to 1990 (Exhibit 1). The
manufacturing source was run with slow speed Process Lines such as Uniplaster & Ansala and primary packing was done with slow speed wrapping machines making 300 to 400 pieces per minute and entire final product or secondary packing was manually packed. The rationale for imparting training from 1953 to 1980s was to bring awareness about safety at workplace, technical knowhow, reducing the waste, dos and don’ts during the process, reducing the absenteeism, to bring awareness about the labour laws and employee benefits etc. From 1980s to 1990s apart behavioural and attitude concentration started. From 1990s a new and innovative training programmes were introduced. During the years 1991 to 2000 the business of the Company was grown at a fast phase (Exhibit 1). Company introduced a brand called Maha Lacto, Cookies & Éclairs’ which was made in new and latest continuous Lines supplied by Bosch of Germany having capacity of making 25 tons per day on each Line. The new primary packing machines supplied by Packtech a German Company were making 1600 pieces per minute. Entire secondary packing was automated and new Form Filling machines from Japan were used. The Maha Lacto product was made by using natural ingredients such as Ghee, Milk & Sugar. The Maha Lacto brand resulted in the rise of sales volume from 800 tons per month to 2000 tons per month on an average. Nutrine Confectionery was grown to be a multi-product, multi market giant and was grown the level of Single largest Company manufacturing Confectionery and Toffees in India. Nutrine was making more than 30 varieties of Candies, Toffees, Lozenges etc., and was a Leader in the Industry for more than a decade with market share of 40% and above. The strength of Nutrine was not only in manufacturing capability, but also in marketing reach. Nutrine was available throughout the Country through a network of Depots and C&FS (Commission and Forwarding Agents), distributors, Stockists and Dealers. Nutrine was always believed Human Resources as their prime strength. The Employees used to work with dedication and put best efforts to make the organization successful. The company used to organize many training programs to upgrade the skills of the Employees from time to time. A new and innovative training called Quality of Life and Quality of Work was coined and conducted for all the Employees along with their spouse. The theme of the training was “If an Employee was happy and contended in his Family life, he will definitely prove to be an asset to the Company”. The company used to implement all statutory welfare measures as
required. It was also extended additional welfare measures such as sanctioning grants to employee’s children, to peruse their professional courses by reimbursing complete College fee and amount spent for Books. Company used to reimburse medical expenses in the case of major ailment to the employees and their family members. All the employees and their family members and dependents were covered under the Group Insurance medical policies. The company was awarded Best Management Award twice by Government of Andhra Pradesh for maintaining healthy and meaningful human relations and not having Industrial disturbance. Mr. G S Srinivas, Deputy General Manager HR, revealed that ‘the attitude of the Employees was always positive and committed towards the business.’

The Company experienced the impact of Globalization and for the reason that many Multinational companies opened their shops in India from the year 2002 and the sales volumes of Nutrine products came down from 2200 tons per month to 1600 tons per month on an average. Confectionery business scenario experienced the change due to Globalization and the customers got wide choice of products, consumer became quality focused, new inventions became order of the day based on Consumer trends, consumer studies were mandatory on Consumption Pattern & Taste preferences. Health consciousness & Consumer knowledge triggered manufacturers to offer low Sugar, Less salt, sugar free, no fat, low fat products. New and innovative distribution system made possible to introduce many modern retail stores. So the local companies were looking for joint ventures or mergers with large corporate companies or MNC’s to sustain and grow in the business. Apart from the stiff competition the prices of commodities such as sugar, milk, flavors and packing material were gone up, but price of the product could not be increased since this segment pricing was based on the coinage like INR 0.50 & 1 per piece.

4.1.3. Training & Development Activity at Nutrine

4.1.3.1. Off The Job Trainings

Behavioral Trainings (Executives): The training programmes on Supervisory Skills, Communication Skills, Motivation Skills, Transactional Analysis, Presentation Skills, Leadership Skills and Selling Skills.
Technical Trainings (Executives): The training concentrates on How to improve productivity, How to improve the efficiency on continuous Lines and How to manage PLC systems.

4.1.3.2. On the Job Trainings:

GET: The fresh Engineering graduates and Diploma candidates were taken as Trainees for a fixed period and the Engineers were called as Graduate Engineering Trainees (GET) for 1.5 years.

DME: Diplomas were taken as Diploma Engineering Trainees (DME) for 2 years.

Management Trainees: MBA were taken and trained for 1.5 years in non-technical functions such as Sales, Marketing, Finance, Purchase, HR & Distribution departments.

Commercial Trainees: Non-technical graduates were taken for 2 years.

4.1.3.3. Training Need assessment (Executives):

Training assessment and Training need were identified for Executives as part of Performance evaluation, which was happening once in a year. The individuals use to identify their needs and their supervisor use to decide basing on need. Training plan was drawn basing on the training needs found once in a year and training use to happen as per plan.

4.1.3.4. Training evaluation (Executives):

A written feedback was taken from the Executives every close of session on facilities, training venue, training material, Trainer, food served and suggestion how to improve.

4.1.3.5. Workmen:

The training programmes aims are on Motivation, Team Building, Transaction Analysis, How to use Safety Equipment and work safe, How to improve performance and productivity.
4.1.3.6. Workmen with Spouse:

Quality of work and Quality of life-To main theme was “Happy employee at his personal life can become an asset to the Organization”. This was also used as tool to come from vices of absenteeism- Alcoholism, Smoking, Gambling and other vices. Topics on how to plan and improve their Quality of life were discussed, such as planning budget, good food habits, small income activities and uses of giving good education to children.

4.1.3.7. Training assessment (Workmen):

Trainings were conducted basing on the need, such as to reduce absenteeism, as and when new Technology/Product or equipment was introduced, to improve co-operation between the Supervisor and Workmen.

4.1.3.8. Training Evaluation (workmen):

Written feedback was taken after every session. In the case to Quality of Life and Quality of Work, use to have Review sessions with their spouse to know how they were benefited and what improvements they made to improve their Quality of Life. These sessions were Video recorded.

4.2. BRIEF HISTORY OF GODREJ GROUP:

Ardeshir Godrej was a fresh law graduate in 1884; he gave up the law and joined as an assistant to chemist. The lawyer-turned-locksmith was a persistent inventor and a strong visionary saw the spark in the future. In 1885 he started ‘surgical equipment’ manufacturing with an investment of rupees 3000. In 1887 Ardeshir Godrej learned the first lesson of failure; when two of his business went bust, then he started Lock Company. In 1887 Godrej group started manufacturing locks under “Anchor” brand. In 1902 Godrej made its first Indian safe. In 1910 Mr. Boyce joined hands with Mr. Ardeshir Godrej. Later on Mr. Boyce left the company but the name was retained as “Godrej & Boyce Manufacturing Company”. In 1918 Godrej went against Tide of Raj and launched first animal fat free soap. In 1923 it made first Almirah. On 1st May, 1928
Mr. Ardeshir Godrej transferred the ownership to his brother Mr. Pirojsha Godrej and he carried Ardeshir Godrej’s dream forwarded and made Godrej group – A Global Multi-Business. Mr. Ardeshir Godrej’s inventions, manufactured by his brother Pirojsha Godrej, were the foundation of today’s Godrej Empire, which was one of the India’s most trusted brands. In 1944 a truck carrying cargo caught fire and explosion took away lives and destroyed buildings. In 1951 the Indian election commissioner asked Godrej to make Ballot Boxes for the free India’s first election and within days 1.7 billion Ballot Boxes were made. In 1958 Godrej made first refrigerator. In 1972 the first employee count was 12,000. In 1986 Godrej launched hair dye and about 7,00,000 of which were sold daily. In 1997 Godrej group turned 100 years old. Godrej Hershey Limited was established in 2007, with a joint venture between the Hershey Company (USA) and the Godrej Industries Limited, and Godrej was holding 43.4 per cent stake. This joint venture used to operate in multiple categories such as confectionary, beverages, and Grocery items, with brands such as Maha Lacto, ChoclateEclairs, Jumpin juices and others. Godrej used to sell six billion candies a year, that was approximately one candy for every man, woman and child on the planet. Godrej used to produce over one billion cakes of soaps a year. Business week listed Godrej group among Asia’s 100 fastest growing companies. Three out of every four Indian banks were secured with Godrej safes and lockers. Godrej appliances launched India’s fist 100 per cent Green refrigerators in 2002 with 100 per cent CFC free refrigerators which ignited the go green revolution in industry. It was selling one refrigerator at every 30 seconds in India. Godrej refrigerators were conferred with the National Energy Conservation award in 2009 by Government of India. Godrej & Boyce were the last manufacturers of typewriters in the world. Godrej Interio was the India’s largest furniture brand. Godrej material Handling was the India’s largest manufacturer of fork lift. Godrej locks celebrated over the years for the trust bestowed by its customers across the globe. In 2008 helped in development of launch vehicle and lunar orbiter, Chandrayaan (India’s first unmanned mission to moon). Adi Godrej pursued his undergraduate degree from MIT and MBA from the MIT Sloan School of Management. After his return to India, he joined the family business. He introduced modernized and systematized management structure. The philosophy of the Godrej management was expressed in single word “PRIDE”, means Passion, Respect for people,
Integrity, Dedication and Extraordinary creativity. Godrej enjoys the patronage and trust of around 500 million Indians in a day. Godrej believed ‘our customers mean the world to us,’ hence it was happy when its delighted customer smiled. It had seven major companies such as Real Estate, FMCG, Industrial Engineering, Home Appliances, Furniture, Security and Agri Care. Godrej had 26 per cent of its business in overseas. Its presence was there in more than 60 countries and it was ensured that the customers were at home with Godrej no matter where they go. Our presence in more than 60 countries and ensured its customers a feel, at home with Godrej no matter where they go, through its service excellence. Godrej consists of Godrej Industries and Godrej & Boyce. Godrej Industries consists of Godrej Chemicals, Godrej Properties, Godrej Agro vet and Godrej Consumers whereas Godrej & Boyce consists of Godrej Appliances, Godrej Locks, and Nature’s basket and Godrej heavy engineering (Exhibit 1). The Godrej group turned its image from family owned family managed to family-owned professionally managed organization. Godrej & Boyce and Godrej Industries Limited had difference in organizational culture and focus. Godrej & Boyce focused on consumer, industrial and office equipment products and Godrej Industries Limited was focused on FMCG, retailing, food, IT, real estate, etc. Godrej group gave independence to its affiliated companies and subsidiaries in decision-making. However, the control of Godrej family exists with family members having full control or as board members in some of the companies. The company had other shares of troubles as well, for instance unsuccessful partnership with P&G. Despite all the troubles, the second and third generation of Godrej families (fourth generation has entered the fray recently), continued to follow the vision of its founders. They diversified, ventured into new areas, and became global. However, they never allowed majority ownership to any of their foreign partner and survived when most of the other businesses closed down. It relies on building well-known brands, continues to expand in its own way and not let the majority stake to be ever diluted. The company continues to achieve operational efficiencies by continuous learning and improvement. The HR practices of the group were considered amongst best in the country. The practices were influenced by family control, which considers employees as the group’s biggest asset. The employee-friendly policies could contain attrition rates and
increased loyalty. The CSR practices form a part of organizational values and were widely practiced.

The success of Godrej group was a story which runs into four generations. From the humble beginning driven by honesty, integrity and outstanding service to customers, Godrej became Business Empire.

4.2.1. HR PRACTICES

Godrej was ranked among Top 20 in the ‘Great Places to Work’ in the study conducted by the Grow Talent Company in partnership with the Business World. It was also honored with the Best Managed Workforce Award from Hewitt Associated-CNBC-TV18. People Practices at Godrej were guided by six principles; strong values, scope to perform, flexibility in decision making, autonomy to work, ambience at work to thrive and learning among employees.

Feedbacks from employees were collected through, Know Your Consumer Programs, internal customer satisfaction surveys, Voice-of-the-Employee Program and 360 degree feedback programs etc. Employees had the flexibility to draft their own development plans and take them forward after consulting with the seniors.

It has defined performance tools and process, reward the top performers and identify weak performers and offer performance based variable remuneration to inculcate sense of responsibility, accountability and ability to face challenges. Encouraged participative management and supported employees’ ideas but strategic decision making lied with senior management. The learning culture at Godrej was based on a conservative, innovative and risk-free approach. The group had well defined formal training procedures, with a focus on on-the-job training. It also had continuous training programs to hone the competencies and skills of the employees, for instance, through the concept of "GOLD" - the Godrej Organization for Learning and Development. It helped employees to acquire new skills as well to hone the skills and strengths. The talent management process at Godrej identified talented and passionate people from diverse backgrounds, took them on board and later helped and shaped their careers. GCPL has an
employee development programme – IDLE (Internal Development of Leaders) through which it used to provide MBA education to its talented employees through a tie-up with Symbiosis. Godrej had taken measures, such as funding the higher education of the employees to contain the attrition rate to an extent.

Godrej had various initiatives for care of its employee and their families. It was one of the early adopters of employee welfare schemes, such as holiday benefit, provident fund, bonus, gratuity and medical and food facilities.

Enlightened Employment Policies encompass strict code of conduct, such as non-discrimination and whistle blowing and adherence to safety, health and environment standards.

Balancing Work & Life by flexi-time working wherever operationally possible, company buses at regular intervals too helped in reducing commuting stress. Godrej was steeped in traditional values because of the nature of family business. The result was that the organization was conservative. The group could not avoid bureaucracy due to presence of family members at the power centers.

Family oriented work culture was successful in winning loyalty and trust of employees; still there were some instances of conflicts between family and employees. There were two specific instances to quote, which occurred in 1972 and 1979, when due to aggressive clashes between labour and the family, Naval Godrej and his daughter-in-law and mother-in-law were stabbed. This incident eventually led to the death of Naval Godrej.

Some conflicts were necessary for any organization so as to increase its effectiveness and bring some change. The birth of GCPL from Godrej Soaps Ltd., was a successful consequence of the initial conflicts, given shape to Godrej Industries Limited. Godrej Industries Limited managed by Adi Godrej had a very dynamic and open culture and ventured into diverse sectors. However, Godrej & Boyce continued to follow a conservative attitude and was content with moderate growth rates (of 30%) and was
relegated to an also ran from market leader in many segments like appliances, home and office furniture and fast moving consumer goods.

4.3. GODREJ GROUP TAKEN OVER NUTRINE CONFECTIONERY

Due to heavy competition and the increased cost of production (both fixed & variable costs) the Management of Nutrine decided either to have tie up with a Multinational Company or to hive off their business. The Confectionery business in India was volume based but not value based. Even though the product price was low the companies were making profits due to high volumes. As many MNC’s started their business in India by that time the volumes of Nutrine came down. Perfetti from Italy was the first company, who introduced the deposited candy, which picked up very good market. Wrigley’s of US opened their shop in India and brought new product of Gums and little later the Parry Confectionery was taken over by a Korean Company called Lotte. ITC was the market leader in Tobacco related products; it was also entered into the confectionery business. These companies with deep pockets started introducing new and innovative products with different shape, taste and packaging of new SKU’s. In spite of increased price of all the commodities and services these companies also were able to give the products at the same price like which was existing i.e., INR 0.50 & 1 per piece. This was possible for them for the reasons that the Units started by them were Green Field projects, the cost of Labor and other infrastructure was very low since they were new Units. Whereas the case with Nutrine was different the cost of Labor and infrastructure cost were high since the manufacturing facilities were as old as of 50 years and employees were also with high pay due to high service. In this process there was effective negotiation with Companies like Nestle India, Mars of US. There was an MOU with a company called ACTIS, a financial consulting and funding company, which was later, got cancelled. Subsequently there was a deal struck and the business was sold to Godrej group, one of the biggest FMCG corporate in India in the year 2006.
4.3.1. T & D during the Period of Godrej

4.3.1.1. Executives:

Godrej has strong Human Resources policies. The Training & Development activity was a continuous process. Talent acquisition and Talent improvement was done in a systematic manner. Training assessment and identification was happening during the Performance Evaluation once in a year. Basing on identification the Training Calendar was made & Trainings were conducted. The Goals were set basing on the Organization goals. The targets were set after due reweave between the Executives and his supervisor. The goals were set on specific targets, Financial, Process, Quality, Personnel improvement. It was agreed the quantum of cost savings (financial), Improvements that to be brought during the year (process). It practiced improvement in Quality aspects and Personnel improvement goals for self and his Team. In this the Executives without MBA were encouraged to acquire MBA or any other higher qualification and company use to finance for such activity. The goals were reviewed once in 3 months. For Mangers, 360 degree feedback done on line was used a Tool for Training assessment, Talent improvement and to develop the Leaders to take up new and different rolls to come in future.

4.3.1.2. Trainings held for Executives

Supervisory skills, Communication Skills, How to motivate, Transactional Analysis, Presentation Skills, Leadership Skills, Winning Attitude, Seven Habits of Most Successful People.

4.3.1.3. Out Door Training sessions

These programs were held mostly at Hill Stations and Forest Locations. Adventure games and Team work problem solving sessions were part of training curriculum.
4.3.1.4. Training Evaluation

The Trainees were asked to give written feedback on the Training facility, Food arrangements, Training Material, Trainer and how they like the training and suggestions to improve. After Seven Habits program, an evaluation session was held to know the impact, knowledge gained how they could implement and improve their day to day performance. Those could not attend the evaluation session were held con calls to evaluate the impact.

4.3.1.5. E-Learning:

All the Executives were given opportunity to register for on line Training Sessions in the Company Official Portal. The sessions were of duration ranging between 4 hours to 30 days.

The company had taken strategic decisions such as shifting Marketing and sales department to Mumbai, manpower rationalization, increased the prices for its top three brands from INR.50 to INR 1 etc., to execute the decisions company offered training programmes to all the employees of various functions. The company did not measure the effectiveness of training nor did not practice training evaluation except measuring the reactions trainees with feedback forms.

4.4. Confectionery Industry-Before Globalization

This business was mostly concentrated in making sugar boiled confectionery, which contains a major portion of ingredient as sugar and glucose. This business was predominantly a Family owned and only certain families were making the confectionery products. This was the case not only in India but also in other countries such as Perfetti of Italy and Wrigley’s of US. Major confectionery business in India was owned by Undivided Families. Nutirne, Parry, Ravalgon, Parle were major players in this field. Most of the operations in the Industry were made with man power intervention. Products of traditional and local tastes made with ingredients such as ghee, condensed milk products were preferred products. The flavors used were standard ones and easily
available in India. Packaging and SKU’s were of standard nature. The machines used were of old technology with low capacity with more manual intervention. Distribution cost was well within the range due to low cost of petroleum products. Labor was available at low cost since the product making technology was simple and does not require specialized skill. Before globalization Indian market was predominantly manufacturers market with little or no choice. Quality of product making was not prime concern since this product was made by very few companies in India. The confectionery companies were able to produce product by using natural ingredients such as ghee & milk and were able to sell the product at low or competitive price. The cost of coal, power and water were at low price and easily available. Even though the pricing segment was based on coinage such as INR 0.25, 0.50 & 1, the Companies were able to make profits since the sale was happening in big volumes. Confectionery was the only cheap and easily available sweet meat product for the children of semi urban and rural areas. Since most of the Indian population was concentrated in rural areas the companies were able move their product easily.

4.5. Confectionery Business- After Globalization

Globalization impacted the Indian FMCG sector very effectively and confectionery business was not an exemption. Many Multinational Companies identified big opportunity for their products including FMCG products. Accordingly many MNC’s started opening their shops in India to gain the advantage of big markets. Many MNC’s started looking at the options of either starting new manufacturing set up in India or to acquire the existing business. This was the time that Indian confectionery companies were also looking at the option of having tie-ups or to hive away their business to the large companies or to an MNC to sustain in the market. Added to this there was a paradigm shift in the product shape, structure and taste and packaging styles. Products made in deposited lines, Jellies, Lollipops, wafers, Chocolates, panned products, less sugar or sugar free products were easily made available in the Market. The product packaging also played vital role, products were sold in toy packs, attractive dispensers, blisters, shrink packs and strip packs, garland, hanger packs and many such shapes and models based on consumer taste and perception. The product making Lines and machines
were imported from developed countries with very high speed with accuracy. Usage of alternate raw material was grown in order to save cost and taste. Natural milk was replaced with Skimmed Milk Powder. Maintaining quality and making quality products has become mandatory. The legislation became stringent on quality and many new systems such as FSSA, HAACP, which had stringent rules in maintaining quality. Research and Innovation became the order of the day and customers were looking at new and innovative products every day. Many world renewed Food giants had opened their facilities such as Macdonald, KFC, Pizza Hut opened their shops in India. Many MNC companies acquired local companies or had tie up. Kraft of England had taken over by business of Cadbury in India and gone for big expansion by setting up huge Manufacturing source at Sri City of Andhra Pradesh to cater the need of market in India and other Asian Countries.

4.6. BRIEF ON HERSHEY’S COMPANY

4.6.1. It all started with a decision

Our company originated with candy-manufacturer Milton Hershey’s decision in 1894 to produce sweet chocolate as a coating for his caramels. Located in Lancaster, Pennsylvania, the new enterprise was named the Hershey Chocolate Company. In 1900, the company began producing milk chocolate in bars, wafers and other shapes. With mass production, Hershey was able to lower the per-unit cost and make milk chocolate, once a luxury item for the wealthy, affordable to all. One early advertising slogan described this new product as “a palatable confection and a most nourishing food.”

4.6.2. A company on the move

The immediate success of Hershey’s low-cost, high-quality milk chocolate soon caused the company’s owner to consider increasing his production facilities. He decided to build a new chocolate factory amid the gently rolling farmland of south-central Pennsylvania in Derry Township, where he had been born. Close to the ports of New York and Philadelphia that supplied the imported sugar and cocoa beans needed, surrounded by dairy farms that provided the milk required, and with a local labor supply
of honest, hardworking people, the location was perfect. By the summer of 1905, the new factory was turning out delicious milk chocolate.

4.6.3. A KISS for the whole world

Looking to expand its product line, the company in 1907 began producing a flat-bottomed, conical milk chocolate candy that Mr. Hershey decided to name HERSHEY’S KISSES Chocolates. At first, they were individually wrapped in little squares of silver foil, but in 1921 machine wrapping was introduced. That technology was also used to add the familiar “plume” at the top to signify to consumers that this was a genuine HERSHEY’S KISSES Chocolate. In 1924, the company even had it trademarked.

4.6.4. New products, hard times

Throughout the next two decades, even more products were added to the company’s offerings. These included MR. GOODBAR Candy Bar (1925), HERSHEY’S Syrup (1926), HERSHEY’S chocolate chips (1928) and the KRACKEL bar (1938). Despite the Great Depression of the 1930s, these products helped the newly incorporated Hershey Chocolate Corporation maintain its profitability and avoid any worker layoffs. Nevertheless, supported by the CIO labor union, a group of workers staged a six-day strike that ended with the strikers being forcibly removed by loyal workers and local farmers.

4.6.5. HERSHEY’S chocolate goes to war

With the outbreak of World War II, the Hershey Chocolate Corp. (which had provided milk chocolate bars to American doughboys in the first war) was already geared up to start producing a survival ration bar for military use. By the end of the war, more than a billion Ration D bars had been produced and the company had earned no less than five Army-Navy “E” Production Awards for its exceptional contributions to the war effort. In fact, the company’s machine shop even turned out parts for the Navy’s antiaircraft guns.
4.6.6. A family friend becomes a family member

The postwar period saw the introduction of a host of new products and the acquisition of an old one. Since 1928, H.B. “Harry” Reese’s Candy Company, also located in Hershey, had been making chocolate-covered peanut butter cups. Given that Hershey Chocolate Company supplied the coating for REESE’S “penny cups,” (the wrapper said, “Made in Chocolate Town, So They Must Be Good”), it was not surprising that the two companies had a good relationship. As a result, seven years after Reese’s death in 1956, the H.B. Reese Candy Company was sold to Hershey Chocolate Corp.

4.6.7. Growing up and branching out

The following decades would see the company - renamed Hershey Foods Corporation in 1968 - expanding its confectionery product lines, acquiring related companies and even diversifying into other food products. Among the many acquisitions were San Giorgio Macaroni and Delmonico Foods (1966), manufacturing and marketing rights to English candy company Rowntree MacKintosh’s products (1970), Y&S Candies, makers of TWIZZLERS licorice (1977), Dietrich Corp.’s confectionery operations (1986), Peter Paul/Cadbury’s U.S. confectionery operations (1988) and Ronzoni Foods (1990).

4.6.8. The Hershey Company enters a new century

Today, The Hershey Company is the leading North American manufacturer of chocolate and non-chocolate confectionery and grocery products. As the new millennium begins, The Hershey Company continues to introduce new products frequently and take advantage of growth opportunities through acquisitions. HERSHEY’S products were known and enjoyed the world over. In fact, the company markets its products in approximately 70 countries worldwide. With approximately 14,000 employees and net sales in excess of $6.6 billion, The Hershey Company remains committed to the vision and values of the man who started it all so many years ago.
Hershey entered into joint venture with Godrej in 2007 and later in the year 2012 it has taken over 100% shares of Godrej Hershey’s consisting of Nutrine Confectionery, Godrej Foods & Beverages and Oil Business.

Hershey setup a very big manufacturing facility at Malaysia, which can cater the needs of entire Europe, Asia & Middle East and acquired a very big Confectionery company at China called Golden Monkey.

4.7. What Made Godrej to Part with Hershey Company?

After taken over Nutrine Company, Godrej merged with their existing company, which was into making of Foods and Beverages and called the company as Godrej Foods and Beverages Company. But, Nutrine was kept as separate company and Brand Nutrine was continued. Nutrine Company was taken as 100% subsidiary company of Godrej. The corporate office, Marketing and Sales set up was shifted to Mumbai. The arrangement was that Nutrine shall make product and Godrej shall sell the product in the name and style of Nutrine Brand. Most of the seniors in Sales and Marketing left the company since they were asked re-locate to Mumbai from South India since Nutrine has their corporate office and Marketing /Sales set at south since more than 60% of their business was catered from south. Immediately after taking over of Nutrine, a US based Chocolate company shown much interest in Nutrine and after due negotiations Godrej had a joint venture with Hershey of US in the first quarter of year 2007. After taking over by Godrej and having tie up with Hershey Company many new systems were introduced in Nutrine such as SAP, TPM, and OEE at manufacturing facility and TOC in Logistics & Distribution activity. Quality was given utmost importance, up gradation of Machinery and Equipment took place and new Technological improvements were applied in improving the efficiency & Productivity. Automation, innovation and cost savings became very important aspect. Training and Development was given a great importance and all the cadres of the Employees were trained as per the training plan. All the Managers of the Company were assessed by taking the feedback based on 360 degrees to assess the performance. The Goals were set realistically, where the subordinate and supervisor use to discuss on the targets and arrive at the targets. The performance was
revived once in 3 months and the Employee use to allow to undergo training to improve his skills and knowledge. The Executives without Management Degree were given opportunity to peruse e-MBA which were conducted with the help of IIM Indore and IIT Mumbai. All the training programs conducted were evaluated to know the impact of training and the benefits of the training. Since Hershey wanted to introduce their product, which were different from Indian confectionery which needs different skills set had decided to change the man power in all the departments. Since automation and introduction of new technology at the manufacturing sources, the efficiency and productivity went up making the available man power excess. Adding to this the pricing of the product was enhanced from INR 0.50 to 1 per piece. This was introduced assuming that other players in confectionery field also will follow the same, but no company revised prices of products. This resulted in heavy drop in the volumes forcing the company to think very seriously how to cut the cost to make the business self-sufficient It was also decided to rationalize the available man power at the manufacturing source to cut the high manufacturing cost. Consequent to that decision the Manpower Rationalization plan (VRS) was introduced in a phased manner three times during the years 2007 to 2010 in all the departments. New man powers were recruited with different skills in Sales and Marketing departments in place of people left. No fresh recruitment was taken up in the manufacturing facilities since the efficiency and productivity was enhanced and available man power was sufficient to make AOP (Annual Operating Plan) volumes. At this juncture there was feeler that it was better one of the partner to handle the company so that can get good results. After due deliberations, Godrej decided to exit and sell their share to Hershey in the year 2012.

4.8. Training & Development Activity Hershey India

4.8.1. Trainings held for Executives

Supervisory skills, Communication Skills, How to motivate, Transactional Analysis, Presentation Skills, Leadership Skills, Winning Attitude, Talent & Succession Planning (T&SP) Process.
4.8.2. Out Door Training programs

These programs were held mostly at Hill Stations and Forest Locations. Adventure games and Team work problem solving sessions were part of training curriculum.

4.8.3. Training assessment

Training assessment is done at the time of Performance Review, which will happen once in a year. The Goals for executive were set after due discussion with his supervisor in the year end. The goals will be monitored and reviewed once in 3 months. The Executive will be given help co-operation by his supervision in foals set were not reached in time. Basing on the assessment the Training programs will be held as per the training calendar.

4.8.4. Hershey’s 9Q Talent Segmentation Index:

1. Has the respect and trust of supervisors, peers, and direct reports
2. Actively coaches and develops team members to prepare them for future roles
3. Possesses tremendous drive to succeed
4. Builds knowledge base outside the scope of their immediate job
5. Is able to see the big picture; makes connections between their work and other activities
6. Has the ability to see more than one solution for a problem
7. Is a good listener who encourages diversity of thought
8. Is open to feedback and constructive criticism
9. Sense maker in ambiguous, unfamiliar, or challenging contexts.

4.8.5. Training Evaluation

The Trainees were asked to give written feedback on the Training facility, Food arrangements, Training Material, Trainer and how they like the training and suggestions to improve.
4.8.6. E-Learning

All the Executives were given opportunity to register for on line Training Sessions in the Company Official Portal. The sessions were of duration ranging between 4 hours to 30 days.

4.9. Why Hershey Could Not Revive the Business

After exiting of Godrej, the company was named as Hershey India Pvt. Ltd., but continued to have Nutrine as 100 per cent subsidiary company of Hershey. The entire business consist of Confectionery, Foods and Beverages was handled by Hershey. Hershey had the best HR policies, training & development was a continuous process for all the cadres. The pay structure of all the employees was revised and a new component called variable pay was introduced, 25% of this was paid basing on the Individual performance and 75% is based on the Company performance. It is mandatory that all the employees need to have training plan for the year, which was finalized after the discussion with their immediate supervisor. All the Managers were required to work growth path of the Talent available. The employees were trained based on the future rolls. The evaluation of training takes place to know their feedback on the course contents, faculty, and facility and how the training was useful to improve their skills and knowledge. Hershey effectively worked on new and innovative products and brought many of their global brands of confectionery to India to strengthen the Indian business. All the products of Hershey were with high value since they were innovative and were made with great focus on Quality. Certain nonmoving and slow moving products were discontinued. At this stage the great challenge was to make high value products to run successfully in Indian market at low cost. As a part of cost cutting activity the company introduced one more Manpower Rationalization by giving VRS during the year 2013. Since no other confectionery company increased the product price, decided to roll back price of Nutrine portfolio also to old price. This was to bring in stability and to make the business self-sufficient. This was too late, the market which Nutrine had was already occupied by products of other players such as ITC, Perfetti, Lotte apart from this products made by unorganized sector also become dominant players as they were able to sell the
product at same price with higher weight. This was possible for un-organized sectors since their cost of manufacturing was less when compared to organized sector. The biggest challenge to the company was how to reduce the cost of product and sustain in the business and how to regain the lost sale at the market place. Many organized players were able to sustain since they have high volume of sale. Unorganized sector companies were able to give product at the existing price since their product cost is low. The manufacturing cost of the product of Nutrine was INR 38 per Kilo gram, whereas the cost of production of other players was INR 18 to 20 per Kilo gram. The other side attitude of the employees was different and their expectations in the shape of increase in emoluments were very high. One such reason given was company can sustain the loss without any impact as it was an MNC.
5.1. TEACHING NOTE: NUTRINE CONFECTIONERY COMPANY

5.1.1. SYNOPSIS

This case illustrates the training activities before globalization and after globalization in India and traces its developments at Nutrine, one of the Indian large confectionery companies. Students follow the growth of Nutrine from its roots of family owned business through it turbulent and wildly successfully from 1953 to 2006. Nutrine was always believed employees as their prime strength and the Employees used to work with dedication and put best efforts to make the organization successful. The company used to organize many training programs to upgrade the skills of the Employees from time to time. Mr. G S Srinivas, Deputy General Manager HR, revealed that ‘the attitude of the Employees was always positive and committed towards the business.’ The Company experienced the impact of Globalization and for the reason that many Multinational companies opened their shops in India from the year 2002 and the sales volumes of Nutrine products came down from 2200 tons per month to 1600 tons per month on an average. Due to heavy competition and the increased cost of production the Management sold Nutrine Confectionery Company to Godrej group in the year 2006.

After taking over Nutrine Company, Godrej merged this with their existing company, which was into making of Foods and Beverages and called the company as Godrej Foods and Beverages Company. But, Nutrine was kept as separate company and Brand Nutrine was continued. Nutrine Company was taken as 100% subsidiary company of Godrej. As an US based Chocolate company shown much interest in Nutrine, after due negotiations Godrej had a joint venture with Hershey of US in the first quarter of year 2007. The price hikes of the commodities such as sugar, glucose, malt, flavors and packing material; resulted in the financial problems of company. In order increase the financial condition of the company it was decided to increase the price of three major brands from INR .50 to INR 1. Accordingly the price change was implemented in June, 2012 expecting that other confectionery companies will also increase their price, but no competitor increased the prices.
Till December, 2012 Nutrine Confectionery was a subsidiary of joint venture Company called Godrej Hershey India Limited. Hershey taken over 100 per cent shares of the company by cancelling the joint venture and accordingly Nutrine Confectionery Company became subsidiary of Hershey India Pvt. Ltd. Hershey management had financial review and identified that the manufacturing cost was the manufacturing cost of Nutrine product per kilogram was INR 38, whereas the cost of production for competitors for similar product per kilogram was INR 18 to 20. As a measure to bring down the said high cost and make the company viable, introduced automation in manufacturing activity and implemented manpower rationalization by reducing manpower from 800 to 350. In spite of corrective actions taken up by Hershey Management; still the company was facing problems in all the functional areas. Even though employees were aware that there was a fall in the sales volume, the employees were reluctant to co-operate the management to cut the high cost areas.

5.1.2. Suggested Assignment Questions

1. Trace the growth of Nutrine Confectionery Company from a family owned business to a subsidiary of Hershey?

2. What are the training and development types in Nutrine from 1953 to 2014 is the rationale in imparting training and development programmes?

3. What are the major challenges in Hershey India Pvt. Ltd. in terms of overall performance of the organization/profitability and how could effectiveness of training address these problems?

4. Should Hershey India Pvt. Ltd. continue the production by adopting training evaluation to measure and improve the effectiveness of training? Why? Or the company should stop the production by giving the production to a third party by keeping Nutrine brand? Why?

5.1.3. Teaching Objectives

This can be taught effectively to MBA students or executives at any level in courses such as Pricing Strategies, Marketing, Training and Development, Strategic Management, Industrial Relations, Human Resource Management or Decision Making.
for Managers. The case “Nutrine Confectionery Company” describes the growth of Nutrine from its roots of family owned business to a subsidiary of Hershey. The importance of training had been identified by companies and employees were seen as human capital. The training importance and activities been transformed in the company over period of time. The case illustrates:

- To examine the transformation of training and development programmes and objectives of training during the growth of Nutrine and to understand the strategic rationale (objectives) for imparting training and development.
- To understand the importance of training evaluation and training evaluations models.
- The case examines the relationship between strategic decisions and the effectiveness of training and the overall performance of the organization.

5.1.4. Conceptual Analysis

- Types of Training and Development
- Objectives of Training
- Evaluation of Training Models – The Kirkpatrick Patrick: Four level training evaluation model

5.1.5. Discussion Plan

The classroom discussion of this tends to be energetic, and instructors should have no trouble getting students involved in the discussion. The teaching note is designed for an 80 minutes class discussion and is broken down into five sections, as well as a brief introduction and conclusion.

5.1.5.1. Introduction (10 Minutes)

The instructor may wish to open class by brief touching upon the size and scale of Nutrine, Godrej and Hershey.
5.1.5.2. Section 1: The Strategic Rationale for imparting training and development Programmes (15 Minutes)

As students should know, the objectives of training and the effectiveness of training are good for the overall performance and profitability of the business. Above all else, it creates an incentive for firms to put significant effort toward building training evaluation to measure the effectiveness of training.

In the case, the result of this is a win-win cycle of training effectiveness and overall performance of the organization. The management of Nutrine was so cognizant and always believed employees as their prime strength, used to offer many training programmes so employees are always positive and committed towards the business. The rationale for imparting training from 1953 to 1980s was to bring awareness about safety at workplace, technical knowhow, reducing the waste, dos and don’ts during the process, reducing the absenteeism, to bring awareness about the labour laws and employee benefits etc. From 1980s to 1990s training rationale included Motivation, Team Building, Transaction Analysis, How to use Safety Equipment and work safe, How to improve performance and productivity. From 1990s a new and innovative training called Quality of Life and Quality of Work was coined and conducted for all the Employees along with their spouse. The theme of the training was “If an Employee was happy and contended in his Family life, he will definitely prove to be an asset to the Company”. For executives behavioural training objectives were to improve Supervisory Skills, Communication Skills, Motivation Skills, Transactional Analysis, Presentation Skills, Leadership Skills and Selling Skills and Technical Training objectives include How to improve productivity, How to improve the efficiency on continuous Lines and How to manage PLC systems. The company was awarded Best Management Award twice by Government of Andhra Pradesh for maintaining healthy and meaningful human relations and not having Industrial disturbance.

After taken over by Godrej and had tie up with Hershey Company, many new systems were introduced in Nutrine such as SAP, TPM, and OEE at manufacturing facility and TOC in Logistics & Distribution activity. Quality was given utmost
importance, up-gradation of Machinery and Equipment took place and new Technological improvements were applied in improving the efficiency & Productivity. Automation, innovation and cost savings became very important aspect. Training and Development was given a great importance and all the cadres of the Employees were trained as per the training plan. Employees were allowed to undergo training to improve his skills and knowledge. The Executives without Management Degree were given opportunity to peruse e-MBA which was conducted with the help of IIM Indore and IIT Mumbai. Godrej had leading self, leading others and leading business as capability factors to its employees.

The training and development after Nutrine became 100 per cent subsidiary of Hershey were in-house and outdoor training programmes. The objectives were to improve Supervisory skills, Communication Skills, How to motivate, Transactional Analysis, Presentation Skills, Leadership Skills, Winning Attitude, Talent & Succession Planning (T&SP) Process and problem solving skills. Training assessment and e-learning was introduced.

Some of the training objectives are: Increased training need, increased competencies, statutory requirements, vendor requirements, increased functional competencies, diversified disciplines of education, zero accidents, less rejections of the finished products, cost reduction, safe working, self-development, leading others, leading leaders, leading business, to make employees multi skilled, to improve integrity, to increase honesty, to reduce absenteeism, sustain the organizational culture, building tomorrow’s leaders etc.

5.1.5.3. Section II: A specific question to start the discussion might be: What are the major challenges facing in this company in terms of overall performance of the organization/profitability and how could training effectiveness address these problems? Students tend to respond to this question by highlighting some issues including: (10 Minutes)

- Cost of Production
- Raw material
• Marketing research and intelligence
• Sales force retention and training
• Manpower rationalization and Employee commitment
• High Fixed cost
• No training evaluation or corrective measures
• Return on Investment (Training and Development)
• High cost involved for stopping the production (Employees compensation)
• Union Involvement and chances of losing company assets

5.1.5.4. Section III: What training evaluation process was adopted in Nutrine, Godrej and Hershey? And was the training evaluation process was adopted in Nutrine Confectionery Company from 1990 to till date? (10 Minutes)

Nutrine Confectionery Company

From 1950-1990s no training evaluation was there. From 1990s written feedback was taken after every session. In the case to Quality of Life and Quality of Work, use to have Review sessions with their spouse to know how they were benefited and what improvements they made to improve their Quality of Life. These sessions were Video recorded.

Godrej Group

Feedbacks from employees were collected through, Know Your Consumer Programs, internal customer satisfaction surveys, Voice-of-the-Employee Program and 360 degree feedback programs etc. It has defined performance tools and process, reward the top performers and identify weak performers and offer performance based variable remuneration to inculcate sense of responsibility, accountability and ability to face challenges.
The Trainees were asked to give written feedback on the Training facility, Food arrangements, Training Material, Trainer and how they like the training and suggestions to improve. After Seven Habits program, an evaluation session was held to know the impact, knowledge gained how they could implement and improve their day to day performance. Those could not attend the evaluation session were held con calls to evaluate the impact. 360 degree feedback is also used to evaluate.

Godrej Hershey India Limited

All the Managers of the Company were assessed by taking the feedback based on 360 degrees to assess the performance. The Goals were set realistically, where the subordinate and supervisor use to discuss on the targets and arrive at the targets. The performance was revived once in 3 months and the Employee use to allow to undergo training to improve his skills and knowledge. The Executives without Management Degree were given opportunity to peruse e-MBA which was conducted with the help of IIM Indore and IIT Mumbai. All the training programs conducted were evaluated to know the impact of training and the benefits of the training. The Trainees were asked to give written feedback on the Training facility, Food arrangements, Training Material, Trainer and how they like the training and suggestions to improve. Immediate feedback was also collected to measure the learning; knowledge, skills and habits.

Hershey India Pvt. Ltd.

The Trainees were asked to give written feedback on the Training facility, Food arrangements, Training Material, Trainer and how they like the training and suggestions to improve. Immediate feedback was also collected to measure the learning; knowledge, skills and habits.

5.1.5.5. Section IV: Should Hershey India Pvt. Ltd. continue the production by adopting training evaluation to measure and improve the effectiveness of training? Why? Or the
company should stop the production by giving the production to a third party by keeping Nutrine brand? Why? The instructors need to conduct voting for these two options. Students tend to respond to this question by highlighting some issues including: *(Problem Analysis - 30 Minutes)*

To continue with production by adopting training evaluation to measure and improve the effectiveness of training, students may consider some of the following issues:

- Reducing the cost of production
- Strengthening the Marketing and Sales department
- Implementing proper training need assessment
- Implementing training evaluation not only in measuring reactions, but also in measuring learning, behavior and results.
- Threat of union
- Attitude of employees and management

Company should stop the production by giving the production to a third party by keeping Nutrine brand; students may consider some of the following issues:

- High cost of production
- Attitude of employees
- Failure of marketing research and intelligence
- High competition
- Availability of Suppliers as per specifications
- No risk of production
- No proper HR practices

*5.1.5.6. Section V: Stepping Outside of the Case*

The instructor can explain various training evaluation models and Kirkpatrick training evaluation model and the impact of training effectiveness on the overall performance of the organization/profitability.
6.1. STUDY 1.B. TRAINING EVALUATION IN LARGE MANUFACTURING INDUSTRIES

6.1.1. INTRODUCTION

Kirkpatrick presented a training evaluation system, which probably known as best in training circles (Steve Dyer, 1994). Kirkpatrick & Kirkpatrick (2006) stated that greater part of HR practitioners did not have enough familiarity of Kirkpatrick’s model of evaluation. In recent paper, Sorad Sadri (2014) analyse the ‘Kirkpatrick’s training evaluation’ in organizations published over the past 40 to 50 years isolating the four propositions which they encapsulate in ‘implementing Kirkpatrick’s four level training evaluation model’ (Kirkpatrick, 1959, 1975, 1998 and 2006). This study reports a comparison between Kirkpatrick’s analysis and the extant of literature and current training evaluation practices as revealed by the HR practitioners of large manufacturing companies of Chittoor District and HR academicians.

6.2. EVALUATION MODELS

Since the introduction of Tyler’s (1942) evaluation model, many other models have emerged, each reflecting the evaluation requirements of its time. McCoy and Hargie (2001) list some existing models: goal-free evaluation (Scriven, 1967); Campbell’s (1969) scientific approach; illuminative evaluation (Parlett and Hamilton, 1977); utilization-focused evaluation (Patton, 1986); the responsive mode that takes into account environmental and stakeholders’ needs (Cronbach et al., 1980); fourth generation evaluation (Guba and Lincoln, 1989); and realistic evaluation (Pawson and Tilley, 1997). Although evaluation has been an important subject in management studies and research as it was related to the issues of efficiency, effectiveness and impact (Rossi and Freeman, 1989), McCoy and Hargie (2001) argue that no one model of evaluation was complete and suitable for all situations. Each type has strengths and weaknesses. To evaluate effectively, there was a need for a better understanding of the nature of evaluation, its purpose, and other important relevant aspects such as organizational and participants’ needs. In this paper, we present a four-phase evaluation system incorporating both
organizational and participants’ perspectives, resulting in a customized training program. In essence, the final design of the training program was created collaboratively involving:

1. Designing the training initial program;
2. Launching and evaluating the initial program;
3. Designing quantitative measures based on feedback from phase 2; and
4. Ongoing training and evaluation.

There was a mismatch between organizations desire to evaluate training and the extent and effectiveness of actual evaluation. There are a number of reasons for this including the inadequacy of current methods. This study has sought to briefly explain an alternative approach that sets out a systematic set of stages that can guide practitioners within the context of their own organization. It proposes a productivity-based framework to focus data collection and the utilization of a metric to present results. As Paul Bramley notes in his book Evaluating Training ultimately assessing the worth of a program “is actually someone’s opinion” (Bramley, 1996, p. 4). A metric provides an ideal tool to allow stakeholders make informed judgments as to the value of a program, whether it has met its objectives and what its impact was. Most importantly the approach focuses on the bottom line and draws evaluators’ attention to consider what the ultimate overall impact of learning was (Richard Paul Griffin, 2010)

In 1959 the idea of Evaluating Training Programs had been developed by Donald Kirkpatrick and same has been defined and published in 1975 and revised and updated in 1998 in his book ‘Evaluating Training Programs: The Four Levels’. Now Kirkpatrick’s four-level model considered as an industry standard across the HR and training communities (Raju Ganesh and Sorad Sadri, 2014).

The four levels of Kirkpatrick’s evaluation model essentially measure:

- Reaction of trainees – what they thought and felt about training;
- Learning – the resulting increase in knowledge or capability;
- Behaviour – extent of behaviour and capability improvement and implementation or application;
- Results – the effects on the business or environment resulting from the trainee’s performance.
6.3. Ease and Difficulties in implementing Kirkpatrick’s training evaluation model

1. Measuring the thought and feeling of trainees was easy, needs less effort and cheaper hence majority of the companies are evaluating immediate reactions after training.

2. Measuring level of knowledge and capabilities after training also was easy, needs less efforts and cheaper when compared to measuring behaviour and results hence majority of the companies are evaluating immediate learning after training.

3. Measuring the extent of behaviour, capabilities improved and implementation/application of learning from training was difficult, requires more efforts and costlier when compared reactions and learning and vice versa with respect to results hence few companies only are evaluating behaviour.

4. Measuring the effects on the business or environment resulting from the trainee’s performance was difficult, require more efforts and costlier when compared to measuring reactions, learning and behaviour, hence very few companies are evaluating the results.

6.4. Method

Following Kirkpatrick (1959, 1975, 1998); Morten Emil Berg et al. (2011) and Sorad Sadri (2014), I selected respondents from HR practitioners and academicians that satisfied the following criteria:

2. Importance of Training evaluation: HR practitioners who were been in training and development and implementing and implemented training evaluation from minimum of 10 years and maximum of 50 years. HR Academicians and consultants who have experience in training and development and training evaluation.

3. Complexities associated with implementing training evaluation: Evaluating reactions after training were easier and cheaper when compared to evaluating learning, behaviour and results (Kirkpatrick, 1959, 1975, 1998)

The HR managers of various large industries were approached and asked to direct me to colleagues and subordinates that were engaged in implementing training evaluation and satisfying our criteria to participate in the focus group discussions. A brief
description of our research aims the experience the respondents had in training and
development and implementation of training evaluation need to examine so that each
research participant of FGD will fully understood the reason for focus group discussion.
Then the researcher ensured that they were willing to be part in the FGD for about two
hours. The respondents were chosen from a variety of industry sectors in order to obtain
data that were not sector specific. Each FGD was ranged from minimum one and half
hours to three hours. Each FGD was tape recorded with the respondent’s agreement.

6.5. Findings

The tape recorded FGDs were first transcribed into ordinary word processing
files. The transcripts were studied later and all clauses pertaining to Kirkpatrick four
propositions were isolated. Three raters’, working independently of each other, then
compared these clauses with Kirkpatrick’s ‘ease and difficulty in implementing training
evaluation’ propositions. A pair wise comparison yielded inter-rater agreement of 85 per
cent. Disagreements were resolved jointly between the three raters.

Each of Kirkpatrick’s (1959, 1975, 1998) ‘ease and difficulty in implementing
training evaluation’ propositions was set out in full below, followed by our observations
on their training evaluation practices.

6.5.1. Proposition 1

Measuring the reactions (thought and feeling) of trainees was easy, needs less
effort and cheaper hence majority of the companies are evaluating immediate reactions
after training. The reactions were collected on facilities, schedule, meals, case studies,
exercises, audiovisuals aids and handouts and trainer etc. Getting immediate and honest
responses, developing acceptable standards, measuring reactions against standards and
take appropriate action need to be done for the better evaluation of trainees’ reactions
(Kirkpatrick, 1998)

The researcher found that in all of the respondents companies the reactions of
trainees were evaluated after training. All other respondents companies were collecting
the feedback immediately on facilities, schedule, meals, trainer etc. The respondents
revealed that the reactions are collected immediately but they don’t know about whether the response was honest or not? Except one company rest of the companies didn’t develop acceptable standards and they were not measuring against standards but they didn’t take appropriate action based on the feedback of trainees. One HR manager described the training evaluation and the evaluation of training reactions:

When we speak of training evaluation we also need to speak about the behaviour and attitude of the employees. People come and people go. How does the culture of the organization sustain for years to come. According to psychology the evolution of behaviours happen like this: Everyone has experiences, these experiences lead to beliefs, and Beliefs lead to values and the values lead to the formation of attitude and finally attitude leads to behaviour. People are the most valuable assets of the organization. We are calling them as the human capital. There are employees who had joined as engineers and rose to the level of CEOs in our company. Trainings like technical, leadership development, behavioral are conducted. Technical trainings are conducted basing on the technical up gradations that happen in the industry. We have an organizational initiative program to inculcate the values and leader behaviors to all the employees. Right from the operator to the highest CEO everyone will have to demonstrate certain leader behaviors which we have experienced and think would lead to the success of the organization. We have engaged an external organization who came and conducted various focus group discussions with our employees and then designed a module which was customized to various grades of employees. To give more importance to these leader behaviours we made them a part of PMS. Employees will not only be assessed on the achievement of the OATs but also on the leader behaviours.

We do various levels of Kirk Patrick model of evaluation basing on the type of training programs. For example if it was a refresher program we do only Reaction part. In our company, we have developed an online tool basing on the Kirk Patrick model of evaluation. We have been doing the Reaction part which was level 1 since many years. We have our own customized feedback form, which the participants of the training program will give his/her feedback on the trainer and program. This will be on various parameters like trainer facilitation skills, query handling, subject knowledge etc. and on the program if the module was in line with their requirements, food & venue ambience, duration of the program etc.

The first part of Kirkpatrick training evaluation proposition ‘majority of the firms measuring the reactions (thought and feeling) of trainees was easy, needs less effort and cheaper hence majority of the companies are evaluating immediate reactions after training’ was supported by the researcher’s findings. We have no direct evidence with which to assess whether the companies are collecting the reactions immediately, or the responses are honest. But all the respondents companies were evaluating the reactions.
6.5.2. Proposition 2

Measuring level of knowledge and capabilities after training also was easy, needs less efforts and cheaper when compared to measuring behaviour and results but more difficult and time-consuming than the measurement of reaction, hence majority of the companies are evaluating immediate learning after training. The trainer can teach three things in training programs; knowledge skills and attitude hence; measuring learning will determine what knowledge was learned? What skills were developed or improved? And what attitudes were changed? The measurement of learning was more difficult and time-consuming than the measurement of reaction (Kirkpatrick, 1998). The evaluation of learning will be more effective if the organizations use control group if practical, evaluating knowledge, skills and attitudes both before and after the program, using or conducting test and using the results of the evaluation to take appropriate action.

The researcher also found that the almost all the companies are taking the scores of pre-test and post-test of training programs. But except one company’s respondents’ rest of the respondents are not using the results of the evaluation to take the appropriate action. The HR manager of the company described the learning evaluation:

For safety programs we follow both Reaction and Learning levels in evaluation and we also have the evaluation of Level 2 which was the learning part. Now as per Kirk Patrick model we measure the learning before and immediately after the program. We do this by conducting a Pre & Posttest for all the programs both behavioral and technical also. This will be mostly objective questionnaire and in few cases a combination of objective and descriptive also. Pre & Posttest measure the knowledge part of the participant as to how much he has learned the content of the program. The questionnaire that was developed will be in line with the training module that was developed. The same questions will be given with some jumbling as the post test. We immediately conduct the posttest since this was only a measurement of learning and not the applicability of the learning. Now we ensure that the trainer also covers the concept related to the questions that are covered in the pretest. For effectively measuring the effectiveness at this level 2 of Kirk Patrick’s model we ensure that the training module was not developed in a generic way but customized as per our requirements. We calculate each participant learning percentage for that particular training program.

We use the formula like:
Learning \% = \frac{(Post \ test \ score \ % - Pretest \ score \ %)}{(100-Pretest \ score \ %)} \times 100

Why we calculate against \((100 - Pretest \ score \ %)\), because the learner has only a scope of improvement to the remaining per cent what he has obtained in the Pretest. For example if a batch of 25 participants have attended program on “Communication Skills” we calculate the group learning\% also. This will give me the improvement or effectiveness with respect to level 2 of Kirk Patrick model. We invest almost an amount of INR 2500 on each participant for a 2 days training program when conducted in an outside hotel. The admin of L&D will enter both the Reaction part and the Learning scores in the online effectiveness measurement tool.

6.5.3. Proposition 3

Measuring the extent of behaviour, capabilities improved and implementation/application of learning from training was difficult, requires more efforts and costlier when compared reactions and learning and vice versa with respect to results hence few companies only evaluating the behaviour. Evaluating behaviour attempts to evaluate the change in job behaviour occurred due to attending the training program. It is more complicated and difficult to answer than the evaluating reactions and learning. It is impossible to predict when a change in behaviour will occur because it may occur immediately if he or she gets an opportunity to apply the learning, change in behaviour may occur at any time after the first opportunity, or it may never occur. The reaction and learning evaluation can and should take place immediately. When the firm evaluates behaviour, the firms need to decide: when to evaluate, how often to evaluate and how to evaluate. This makes it more time-consuming and difficult to do than evaluating reaction and learning. To evaluate behaviour companies need to use control group if practical, allow time for behaviour change to take place, conducting survey or interview one or more for immediate supervisors, their subordinates and others who often observe their behaviour, repeating the evaluation at appropriate times and considering cost versus benefits (Kirkpatrick, 1998).

The researcher also found that the implementing behaviour evaluation was so complex when compared to the evaluation of reactions and learning and majority of the
companies are not evaluating the behaviour of trainees after training programs. The HR manager of Amarraja group described the behaviour evaluation in their company:

Coming to Level 3 of Kirk Patrick model, once an employee comes back from the training program how does his superior assess his “Behavior” part i.e. did the learner apply the learning on the job or not. For this to happen we have to compulsorily do the competency mapping for every employee. For every competency we define minimum two outcomes. These are the learning outcomes. The outcomes will be shared with the trainer which helps the trainer to develop the content in line with the requirements. After the competencies and the respective outcomes for each competency which in turn was linked to the position has been mapped, the respective superiors will have to do the training need identification. Out of the mapped competencies, the superior will identify few training needs which are of priority for that employee. While doing the TNI, the superior should define Business result expected and the target. Learning outcomes are those which the participant was expected to learn by the end of the training program. Business result expected was one which the employee has to apply on the job and accomplish or complete within 30 days to 90 days after the program. Target set was something quantifiable. The fourth stage which was “Results” was measured generally between 6 months to 1 year. After the participant has applied the learning and achieved the business result, how that impacted the business results will set by the department, function or by the organization (For example the Balanced Score Card).

At level 3, the participant has to make a self assessment of his Behavior or application of learning and then the superior will assess him based on some criteria taking into consideration the business result that has been defined when identifying the training need. For external programs that come as a training need in between, we will map them into the effectiveness model.

The HR manager of Saint Gobin revealed that ‘We nominate our employees for some external programs where more investment was needed. For such programs we evaluate reaction, learning and behavior part. The employees after coming back from the training are given some projects with specifications of achievements/targets along with deadlines. Hence we will evaluate whether the participants were able to apply the learning back on the job which evaluates the Behavior part. We also calculate return on investment for such programs. Before the program was sponsored Finance team will track the expenses and all necessary approvals will be documented.’ Now after a period of six months or so, once the participant/learner applies the learning, we measure the savings from the project that has been given.
6.5.4. Proposition 4

Measuring the effects on the business or environment resulting from the trainee’s performance was difficult, require more efforts, time-consuming and costlier when compared to measuring reactions, learning and behaviour, hence very few companies are evaluating the results. The most important and most difficult part of training evaluation process was evaluating the final results occurred because of attending the training program. The company should concentrate in measuring the improvement in quality, profits, productivity, reduction in waste/scrap, improvement in quality of life, better teamwork, improved interpersonal communications and human relations, reduction in costs, improved sales, improved marketing research, return on investment etc (Kirkpatrick, 1998).

This was found by the researcher that not even one company evaluating the results after training. The HR manager of a company revealed that ‘their company was in evaluating the behaviour and they will evaluate the results in the next year, and he also revealed that they had tie up with Kirkpatrick’s institution to implement the process and they are in the process.’
7.1. STUDY 2: EXECUTIVES PERCEPTION ON OUTCOMES OF IN-HOUSE AND OUTDOOR TRAINING PROGRAMMES

7.1.1. INTRODUCTION

The purpose of the study is to understand the Executives’ perception on the outcomes of in-house and outdoor training programmes. It is important to understand the demands of a job and the background of the learners in order to provide training, which meets specific needs. At present both in-house and outdoor trainings are being conducted to executives to persuade their deeds and mind-set in the direction of the Organization. The success of the training program depends on the training outcomes. By studying these factors the company can evaluate the future need of training and development plan and also in selecting the right training programs for executives. Even though outdoor training is being offered by many companies from last decade research was done in negligible way. This is the first attempt to compare the in-house and outdoor training programs.

As per the researcher the improvement in performance shown by the trainee after attending the training is an opportunity to assess the impact of outdoor management development program and estimate the return on investment (Phil Donnison, 1995). The paper aims in evaluating the outcomes of various outdoor management development programs. The researcher categorized the articles basing on certain criterion, out of which one criterion includes personal/self development, management/leadership skills development, team building development and development of learning autonomy empowerment (Philip J. Jones, Clifford Oswick, 1993). The training programs are perceived as more successful as it focuses more on improving the job related skills and also the return on investment is more visible in formal training programs hence they are given priority (Almuth McDowall and Mark N.K. Saunders, 2010).
7.2. ANALYSIS

The suggestions given by Hair et al., (2006, p.114) is followed in this study to interpret the factors / outcomes derived through the factor analysis (Principal Component Analysis). The suggestion is that items which has higher factor loading is considered as an important and has greater effect on the naming the factor and / or selected label to signifies the name of a factor. Thus, the research will examine all the significant variables for a particular fact and, placing greater emphasis on those variables with higher loadings, will attempt to assign a name or label to a factor that accurately reflects the variables loading on that factor (Hair et al., 2009, p.155).

The factor analysis results for the training (Table 1) attributes / outcomes explains KMO is .868 and Bartlett’s test values are - Chi-Square (1.584E3), df (190) and sig. (.000) . The exploratory factor analysis results brought three factors which account 72.90 variance. Nine items out of twenty loaded together and it named as Skill Development factor which has the factor mean of 5.84 with 30.5 total variance explain. The item included under this factor are relatedness to career, decision making, interpersonal skills, persuasiveness, taking initiative, relatedness to personal needs, negation, self-confidence and proactive thinking.

The second factor namely team building development is with 9 variables names developing others, strategy with action, drive to learn, analytical skills, fostering collaborations, leading team, driving innovations, delivering actions and self-awareness. The mean score of factor is 5.8 with percent of variance of 28.65. Relatedness to job and practices application converts together and named as training relatedness. This factor accounted 13.75 percent variance with mean score of 6.19.
Table 7.1: Outcomes from the training provided

<table>
<thead>
<tr>
<th>Factor Name/Outcomes</th>
<th>Factor Load</th>
<th>Factor Mean</th>
<th>Factor Variance</th>
<th>(TVE) % of Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Skill Development</strong></td>
<td></td>
<td>5.84</td>
<td>.624</td>
<td>30.5</td>
</tr>
<tr>
<td>Relatedness to career</td>
<td>.795</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision making</td>
<td>.794</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter personal skills</td>
<td>.780</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Persuasiveness</td>
<td>.747</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taking initiative</td>
<td>.682</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relatedness to personal needs</td>
<td>.651</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negotiation</td>
<td>.607</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self confidence</td>
<td>.589</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proactive thinking</td>
<td>.559</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Team Building Development</strong></td>
<td></td>
<td>5.80</td>
<td>.628</td>
<td>28.65</td>
</tr>
<tr>
<td>Developing others</td>
<td>.877</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategy with action</td>
<td>.802</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drive to learn</td>
<td>.693</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analytical skills</td>
<td>.686</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fostering collaborations</td>
<td>.661</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leading team</td>
<td>.647</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Driving innovations</td>
<td>.643</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivering Actions</td>
<td>.612</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self awareness</td>
<td>.595</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Training Relatedness</strong></td>
<td></td>
<td>6.19</td>
<td>.569</td>
<td>13.75</td>
</tr>
<tr>
<td>Relatedness to job</td>
<td>.961</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Practical application</td>
<td>.964</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
Table 7.2: Multivariate Tests for Comparison of Executives’ Perception on outcomes of In House Training and outdoor Training

<table>
<thead>
<tr>
<th>Effect</th>
<th>Value</th>
<th>F</th>
<th>Hypothesis df</th>
<th>Error df</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pillai’s Trace</td>
<td>.324</td>
<td>23.053&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3.000</td>
<td>144.000</td>
<td>.000</td>
</tr>
<tr>
<td>Wilks’ Lambda</td>
<td>.676</td>
<td>23.053&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3.000</td>
<td>144.000</td>
<td>.000</td>
</tr>
<tr>
<td>Hotelling's Trace</td>
<td>.480</td>
<td>23.053&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3.000</td>
<td>144.000</td>
<td>.000</td>
</tr>
<tr>
<td>Roy’s Largest Root</td>
<td>.480</td>
<td>23.053&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3.000</td>
<td>144.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training Outcomes</th>
<th>Type of Training</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill Development</td>
<td>In_House_Trng</td>
<td>5.453</td>
<td>.67267</td>
<td>74</td>
<td>11.523</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>Out_Door_Trng</td>
<td>5.855</td>
<td>.76644</td>
<td>74</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>5.654</td>
<td>.74644</td>
<td>148</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Team Build Development</td>
<td>In_House_Trng</td>
<td>5.479</td>
<td>.76294</td>
<td>74</td>
<td>6.433</td>
<td>.012</td>
</tr>
<tr>
<td></td>
<td>Out_Door_Trng</td>
<td>5.803</td>
<td>.79244</td>
<td>74</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>5.641</td>
<td>.79207</td>
<td>148</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Relatedness</td>
<td>In_House_Trng</td>
<td>5.243</td>
<td>.63161</td>
<td>74</td>
<td>69.517</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Out_Door_Trng</td>
<td>6.196</td>
<td>.75316</td>
<td>74</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>5.719</td>
<td>.84158</td>
<td>148</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey report

The MANOVA and Univariate F-test with descriptive statistics for the total sample of 74 executives of confectionary company is presented in Table-1 and Table-1a. The results of MANOVA’s four tests, especially Wilks’ Lambda (Wilks’ Λ=0.676, F=23.053<sup>a</sup> (df=3), sig.=0.000) supports there is a significant difference in executive’s perception on training outcomes: skill development, self-development and training need
relatedness of in-house and outdoor training programmes.

It is noted that on skill development of training outcomes there is no significant difference between in house and outdoor training methods. The f value (f=11.523, p=0.001) supported by the mean values of in house training (5.45) and outdoor training (5.86). With team building outcome the f value (6.43), p value (0.001) indicates there is difference between two types of training and the mean values are 5.47 for in house training and 5.80 for outdoor training. Lastly with respect to training relatedness the f value supports there is high degree of difference between the two training types with mean values of 5.24 for in house training and 6.19 for outdoor training. Therefore the hypotheses H1a, H1b and H1c are not accepted.

7.2.1. Discussion

It is to be noted from the factors / outcomes of training is that the executives look for a training, whether it can ben in-house and / or outdoor training it necessarily focus on the developing various types of skills which will be useful for them to learn and use in their day-to-day business roles through which they can improve their overall performance. Outdoor programmes can provide an intense and relevant learning experience (Philip J.Jones, 1993). The executives derive the benefit of implementing the practical problem solving skill in their current role. They can enhance the decision making skill by relating to the issues learnt during the trainings and can also improve relations with colleagues, peers and subordinates by using the learned skills during the training. This finding is in line with the observation of David Pollit (2207), that is, the outdoor training facilitates to understand each other, to know skills, experience as teams usually working virtually. The executives can learn the skills in how to enhance persuasiveness in resolving day to day job related issues. Managers need new skills for managing change in uncertainty, can the outdoors be used to shape up managers and help them to sharpen their skills (John Bank, 2007). The practical management games in which executives participate will give opportunity to exhibit their initiative in resolving problems more meaningful. Many industries claim real benefit from using well-conceived outdoor activities for leadership training, team building, improving communication, etc. (John Bank, 2007). It improves completing their desire to reach their
personal career goals. The training enhances negotiation skills which helps them in having meaning solutions and it boosts the confidence in completing the tasks taken up them.

On the comparison between in-house and outdoor training methods with respect to training outcomes, the perception of executives clearly emphasizes that the outdoor training provides tremendous scope for learning of various skills, team building and training relatedness compared to that of in-house training. Outdoor training programmes encourage the individual to experience personal development in terms of self-awareness and recognition of strengths and weaknesses in others. It also provides an opportunity to practice appropriate managerial skills (A.Chapman et al., 1983). The reasons attributes are, when the executives are outside from their work place, which will make them comfort and think-out-of-box on the issue given to them for the discussion during the training period. The trainers are normally from the outside in both training methods, however, sometimes there will be nil participation of in-house trainers when the outdoor training take place that results in openness and involvement of the trainees.

7.2.3. Conclusion

The present study emphasizes the executives’ perception regarding the outcomes from the training programme provided by the organization through in-house and outdoor methods. The outcomes identified through the application of factor analysis and named as – skill development, team building development and training relatedness. These three factors / outcomes of the training programme accounted two-third of variance. The MANOVA results report there is a significant difference in the executives’ perception towards the training outcome constructs of both in-house and outdoor training programmes. The executives’ opined that outdoor training is developing skills, team building and training relatedness when compared in-house training. Outdoor trainings are real and more enjoyable and help to remember for a longtime to get better results (Wendy Yeadon, 1994). Hence it is better to conduct more outdoor training programmes than in house training programmes.
7.2.4. Managerial Implications

It is important to understand the demands of a job and the background of the learners in order to provide training, which meets specific needs. At present both in-house and outdoor trainings are being conducted to the executives in Confectionery Company’s to persuade their deeds and mind-set in the direction of the Organization. The success of the training program depends on the training outcomes. By studying these factors the company can evaluate the future need of training and development plan and also in selecting the right training programs for their executives. Further research on this shall benefit the Confectionery Companies in attracting the best talent and retaining them, which helps in increasing the Productivity and Performance in making existing products and to introduce New Products with enhanced Quality, Taste, and Texture with reduced cost and offer at low price than the Competitors in the Market.
8.1. STUDY 3: MEASUREMENT OF TRAINING EFFECTIVENESS ON OVERALL PERFORMANCE OF THE ORGANIZATION

8.1.1. DEMOGRAPHIC DETAILS OF THE PARTICIPANTS

Out of four hundred and sixty four valid responses (Table 1) 7.33 per cent (34) were females and 92.67 per cent males (430), in the age group between 19–58 years. The majority of the respondents are from the 26–30 years (29.53 per cent) and 31–35 years (24.57 per cent) age group. The remain age groups consists of 36–40 years (12.07 percent), 41 – 46 years (12.28 per cent), 19 – 25 years (11.85 per cent) and 46 – 58 years (9.70 per cent) respectively. Nearly seventy two per cent of the participants had educational qualification graduation and above (Post Graduation in Engineering: 12.72 per cent, Post Graduation in Management: 13.79 per cent, Graduation in Engineering: 20.69 per cent, Graduation in Arts: 13.15 per cent, CA/CS/ICWA: 2.16 per cent). The remaining 24 per cent had qualification of Diploma in Engineering and ITI (Diploma in Engineering: 22.84 per cent and ITI: 4.74 per cent). The experience/service in the current organization reported as 31.47 per cent (146) with 6 – 10 years, 27.37 per cent (127) with below 5 years, and 22.20 per cent (103) with 11 – 15 years respectively.
Table 8.1: Socio demographic profile of the participant

<table>
<thead>
<tr>
<th>Demographic Details</th>
<th>Number of Participants (464)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>430</td>
</tr>
<tr>
<td>Female</td>
<td>34</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>19 - 25</td>
<td>55</td>
</tr>
<tr>
<td>26 - 30</td>
<td>137</td>
</tr>
<tr>
<td>31 - 35</td>
<td>114</td>
</tr>
<tr>
<td>36 - 40</td>
<td>56</td>
</tr>
<tr>
<td>41 - 45</td>
<td>57</td>
</tr>
<tr>
<td>46 - 58</td>
<td>45</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
</tr>
<tr>
<td>Post Graduation - Engineering</td>
<td>59</td>
</tr>
<tr>
<td>Post Graduation - Management</td>
<td>64</td>
</tr>
<tr>
<td>Graduation - Engineering</td>
<td>96</td>
</tr>
<tr>
<td>Post Graduation - Arts</td>
<td>44</td>
</tr>
<tr>
<td>Graduation - Arts</td>
<td>61</td>
</tr>
<tr>
<td>Diploma in Engineering</td>
<td>130</td>
</tr>
<tr>
<td>CA/CS/ ICWA</td>
<td>10</td>
</tr>
<tr>
<td><strong>Experience in Current Organization</strong></td>
<td></td>
</tr>
<tr>
<td>0-5</td>
<td>127</td>
</tr>
<tr>
<td>6-10</td>
<td>146</td>
</tr>
<tr>
<td>11-15</td>
<td>103</td>
</tr>
<tr>
<td>16-20</td>
<td>58</td>
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<td>21-25</td>
<td>25</td>
</tr>
<tr>
<td>26_Above</td>
<td>5</td>
</tr>
</tbody>
</table>
8.2. LEVEL OF AGREEMENT TO MEASURE THE EFFECTIVENESS OF TRAINING

The perceptions of employees on the training objectives are taken as key indicators to know how far the objectives of the training programs are communicated to employees.

8.2.1 LEVEL OF AGREEMENT ON TRAINING OBJECTIVES

Majority of the respondents (Table 2) (Agree: 48.49 per cent and Strongly Agree: 38.15 per cent) agree that they are consulted before sponsoring to the training program. The median value of two and median value of two restated the finding that majority participants from the sample agree to the statement. Fifty seven percent respondents opined that human resource department was briefing and debriefing sessions before sponsoring the employee for training programs. Thirty per cent strongly agreed with the statement and the median value two and mode value two reiterated the finding. As displayed by the median value two and mode value two majorities of the respondents agreed (Agreed: 53.02 per cent and Strongly Agreed: 35.99 per cent) that the training objectives are communicated to them before they are nominated for training. As shown by median value two and mode value two the respondents agreed (Agree: 50 per cent and Strongly Agree: 35.56 per cent) that the seniors are communicating them about the objectives of training before they attend the training. Majority of the respondents (Agree: 61.64 per cent and Strongly Agree: 28.02 per cent) revealed that the topics covered during the training were suitable in the current context. Similarly fifty seven per cent respondents agreed that pre-training materials given to the respondents will help in meeting the training objective. The median value two and mode value two restated the finding that majority of the respondents agreed that the pre-training and e-learning materials helps in meeting the training objective.
<table>
<thead>
<tr>
<th>Over all Perception of Executives on Training Objective</th>
<th>Employees Perceptions on Constructs of Training Objective</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consulting Trainees before sponsoring for training (OBE1) (Median = 2, Mode = 2)</td>
<td>177 (38.15)</td>
<td>225 (48.4)</td>
<td>54 (11.64)</td>
<td>7 (1.50)</td>
<td>1 (0.22)</td>
<td></td>
</tr>
<tr>
<td>Conducting briefing and debriefing sessions before sponsoring for training (OBE2) (Median = 2, Mode = 2)</td>
<td>140 (30.17)</td>
<td>265 (57.1)</td>
<td>54 (11.64)</td>
<td>4 (0.86)</td>
<td>1 (0.22)</td>
<td></td>
</tr>
<tr>
<td>Communicating Training objectives before nominating for training (OBE3) - (Median = 2, Mode = 2)</td>
<td>167 (35.99)</td>
<td>246 (53.0)</td>
<td>45 (9.70)</td>
<td>6 (1.29)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Past Training experiences shared by seniors with the employees before participating in training (OBE4) (Median = 2, Mode = 2)</td>
<td>165 (35.56)</td>
<td>232 (50.0)</td>
<td>66 (14.22)</td>
<td>1 (0.22)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>The topics covered during the training were suitable in the current context (OBE5) (Median = 2, Mode = 2)</td>
<td>130 (28.02)</td>
<td>286 (61.6)</td>
<td>47 (10.13)</td>
<td>1 (0.22)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>OBE6: The pre-course e-learning materials helped me in the preparation for the training (Median = 2, Mode = 2)</td>
<td>132 (28.45)</td>
<td>268 (57.7)</td>
<td>61 (13.15)</td>
<td>2 (0.43)</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

*Note: Figures in parenthesis represents percentage.*
8.2.2. LEVEL OF AGREEMENT ON TRAINING COURSE CONTENT

The effectiveness of training program was influenced the contents of the training course hence the perception of employees with respect to various constructs in the contents of courses are given in the table 3.

Majority of the respondents (Agree: 52.16 per cent and Strongly Agree: 39.66 per cent) agreed that the content of the training course has a practical application in their job and even the median value two and mode value two restated the above finding. The median value two and mode value two shows that majority of the respondents (Agree: 45.91 per cent and Strongly Agree: 42.24 per cent) agree that the contents of the training course are valuable to their career. Eighty eight per cent of respondents (Agree: 47.75 per cent and Strongly Agree: 40.26 per cent) revealed that the training given value addition to their functional abilities, even the median value two and mode value two reiterated the finding. Majority of the respondents (Agree: 63.62 per cent and Strongly Agree: 24.40 per cent) agree that the content of the training was well organized and the median value two and mode value two also restated the finding. The median value two and mode value two states that there are variety of training programs and majority of the respondents (Agree: 57.54 per cent and Strongly Agree: 27.59 per cent) agree that there are different variety of training programs offered to the employees by the company. Majority of the respondents (Agree: 59.70 per cent and Strongly Agree: 21.55 per cent) revealed that there are adequate numbers of training programs in the company. Eighty three per cent agree (Agree: 56.68 per cent and Strongly Agree: 26.29 per cent) that the duration decided and designed for peach training program were adequate and the median value two and mode value two reiterated the finding. With the statement training facilitated in recalling data and information about specific facts majority of the respondents (Agree: 64.15 and Strongly Agree: 23.11) agreed and the median value two and mode value two restated the same finding. The median value two and mode value two found that the training program helped majority of the respondents (Agree: 60.13 and Strongly Agree: 27.16) in recalling the company policy and defining the items.
Table 8.3: Level of agreement on Training Course Content

<table>
<thead>
<tr>
<th>Employees Perception on Constructs of Course Contents</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Practical application to job (CONT 1) (Median = 2, Mode = 2)</td>
<td>184 (39.66)</td>
<td>242 (52.16)</td>
<td>38 (8.19)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Training facilitated in recalling data and information about specific facts (CONT 2) - (Median = 2, Mode = 2)</td>
<td>196 (42.24)</td>
<td>213 (45.91)</td>
<td>55 (11.85)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Value addition to functional abilities (CONT 3) - (Median = 2, Mode = 2)</td>
<td>188 (40.26)</td>
<td>223 (47.75)</td>
<td>52 (11.13)</td>
<td>1 (0.21)</td>
<td>-</td>
</tr>
<tr>
<td>Training content was well organized (CONT 4) - (Median = 2, Mode = 2)</td>
<td>112 (24.40)</td>
<td>292 (63.62)</td>
<td>54 (11.76)</td>
<td>1 (0.22)</td>
<td>-</td>
</tr>
<tr>
<td>Training programs contained variety of methods (CONT 5) (Median = 2, Mode = 2)</td>
<td>128 (27.59)</td>
<td>267 (57.54)</td>
<td>68 (14.66)</td>
<td>1 (0.22)</td>
<td>-</td>
</tr>
<tr>
<td>Number of training programs was adequate (CONT 6) (Median = 2, Mode = 2)</td>
<td>100 (21.55)</td>
<td>277 (59.70)</td>
<td>84 (18.10)</td>
<td>3 (0.65)</td>
<td>-</td>
</tr>
<tr>
<td>Duration of the training programs was adequate (CONT 7) (Median = 2, Mode = 2)</td>
<td>122 (26.29)</td>
<td>263 (56.68)</td>
<td>60 (12.93)</td>
<td>19 (4.09)</td>
<td>-</td>
</tr>
<tr>
<td>Training Contents focused on trainees Career objective and organizational objective (CONT 8) (Median = 2, Mode = 2)</td>
<td>107 (23.11)</td>
<td>297 (64.15)</td>
<td>58 (12.53)</td>
<td>1 (0.22)</td>
<td>-</td>
</tr>
<tr>
<td>It helped in reciting the Company Policy and defining the terms (CONT 9) - (Median = 2, Mode = 2)</td>
<td>126 (27.16)</td>
<td>279 (60.13)</td>
<td>58 (12.50)</td>
<td>-</td>
<td>1 (0.22)</td>
</tr>
</tbody>
</table>

*Note: Figures in parenthesis represents percentage.*
8.2.3. LEVEL OF AGREEMENT ON TRAINING EQUIPMENTS AND FACILITIES CONSTRUCTS

The overall effectiveness of training also depends on the training equipment and facilities available and used in the company. Hence the employees’ perceptions are taken into consideration on various constructs of training equipment and facilities.

Thirty five per cent of employees opined that the classroom, boarding and lodging facilities during the training programs are good, thirty five per cent felt as very good and twenty per cent felt it as excellent. The median value two and mode value two also restated that the classrooms, boarding and lodging are very good. Forty two per cent stated that the training materials and tools used for training are good, thirty seven per cent felt as very good and twelve per cent felt it as excellent. But the median value three finds it as good and mode value finds it as very good. Coming to the library facilities forty five per cent opined it as good, twenty nine felt as very good and eight per cent felt as excellent. But the 19 per cent of respondents opined as fair and hence expecting more facilities. However the median value three finds it as good and mode value finds it as very good.
Table 8.4: Level of agreement - Equipment & Facilities

<table>
<thead>
<tr>
<th>Overall Perception of Executives on Training Equipment and Facilities</th>
<th>Construct of Training Equipment &amp; Facilities</th>
<th>Excellent (1)</th>
<th>Very Good (2)</th>
<th>Good (3)</th>
<th>Fair (4)</th>
<th>Poor (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom, boarding and lodging facilities (EQUIP 1) (Median = 2, Mode = 2)</td>
<td>89 (19.26)</td>
<td>164 (35.50)</td>
<td>161 (34.85)</td>
<td>48 (10.39)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Training Material &amp; Tools (EQUIP2) (Median = 3, Mode = 2)</td>
<td>53 (11.42)</td>
<td>173 (37.28)</td>
<td>194 (41.81)</td>
<td>44 (9.48)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Library facilities and handouts etc (EQUIP3) (Median = 3, Mode = 2)</td>
<td>37 (7.99)</td>
<td>134 (28.94)</td>
<td>206 (44.49)</td>
<td>85 (18.36)</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

*Note: Figures in parenthesis represents percentage.*
8.2.4. LEVEL OF AGREEMENT ON TRAINER’S ABILITY AND DELIVERABLES

The effectiveness of training depends on the ability of trainer. Apart from other variables the trainer and his skills set, communication, knowledge and expertise will make a training program effective. Therefore the participants’ perception was taken into consideration to measure the ability of trainer with the following constructs.

As the subject knowledge also contributes to the ability of trainer the construct of subject delivery was taken into consideration. Majority of the respondents (Agree: 62.90 per cent and Strongly Agree: 21.55 per cent) agree that the trainer was able to teach the subject matter thoroughly and the median value two and mode value also restated the finding. But fourteen per cent of the respondents are neutral and two per cent felt that the trainer is not thorough in the subject. Eighty eight per cent (Agree: 66.59 per cent and Strongly Agree: 21.34 per cent) of respondents opined that the trainer was able to inculcate interest in the respondents. The median value two and mode value two reiterated the finding. Majority of the respondents (Agree: 60.81 and Strongly Disagree: 24.20 per cent) revealed that the trainer explained the program in detail and the median value two and mode value two repeated the statement. Approximately twenty per cent of the respondents opined that the trainer didn’t help them in solving their problem during the training, but majority of the respondents (Agree: 61.24 per cent and Strongly Agree: 17.99 per cent) agreed that the trainer was helped them in solving their problems. The median value two and mode value two reiterated the statement. Nineteen per cent of the respondents opined that the trainer was not able to monitor the progress, but majority of the respondents (Agree: 63.17 per cent and Strongly Agree: 16.92 per cent) agreed that trainer was able to monitor the progress during the training program. Even the median value two and mode value two also reiterated the finding. Majority of the respondents (Agree: 62.07 per cent and Strongly Agree: 17.03 per cent) agreed that the practical examples makes a training effective or not and they opined that the trainer was able to give practical examples in connection in the training topic but 20 per cent of the respondents are neutral with the statement. Even the median value two and mode value two restated the finding that the trainer was able to deliver practical examples in
connection with the topic. Majority of respondents agreed that the pre score and post score was used to measure the ability of trainer and the median value two and mode value two restated the finding. But 21 per cent of respondents are neutral with the statement.

Table 8.5: Level of agreement on Trainer’s Ability and Deliverables

<table>
<thead>
<tr>
<th>Constructs on the Trainer and Trainer’s Ability and Deliverables</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inculcating interest and encouraging the trainee (TRAINER 1) (Median = 2, Mode = 2)</td>
<td>100 (21.55)</td>
<td>292 (62.93)</td>
<td>63 (13.58)</td>
<td>9 (1.94)</td>
<td>-</td>
</tr>
<tr>
<td>Detailing the program (TRAINER 2) (Median = 2, Mode = 2)</td>
<td>99 (21.34)</td>
<td>309 (66.59)</td>
<td>56 (12.07)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Use of examples and analogy during training (TRAINER 3) (Median = 2, Mode = 2)</td>
<td>113 (24.20)</td>
<td>284 (60.81)</td>
<td>66 (14.13)</td>
<td>1 (.21)</td>
<td>-</td>
</tr>
<tr>
<td>Assisting and helping the trainee for problem solving (TRAINER 4) (Median = 2, Mode = 2)</td>
<td>84 (17.99)</td>
<td>286 (61.24)</td>
<td>90 (19.27)</td>
<td>4 (.86)</td>
<td>-</td>
</tr>
<tr>
<td>Monitoring the trainee progress (TRAINER 5) - (Median = 2, Mode = 2)</td>
<td>79 (16.92)</td>
<td>295 (63.17)</td>
<td>89 (19.06)</td>
<td>1 (.21)</td>
<td>-</td>
</tr>
<tr>
<td>Subject Knowledge of the Trainer (TRAINER 6) (Median = 2, Mode = 2)</td>
<td>79 (17.03)</td>
<td>288 (62.07)</td>
<td>97 (20.91)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Conducting pretest and post test of training (TRAINER 7) (Median = 2, Mode = 2)</td>
<td>106 (22.84)</td>
<td>257 (55.39)</td>
<td>100 (21.55)</td>
<td>1 (.22)</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis represents percentage.
8.2.5. LEVEL OF AGREEMENT ON THE OPPORTUNITY FOR APPLICATION OF TRAINING LEARNINGS

Training enhances the skill set of employees but the opportunity for the application and implementation of the learned things makes the training program effective. Hence the employees’ perception on the various constructs was taken into consideration to measure the overall perception of employees on the opportunity for application and implementation of training outcomes.

Majority of the respondents (Agree: 53.66 per cent and Strongly Agree: 29.09 per cent) agree that they are given adequate/specific free time to reflect and plan the improvements in their area of work after returning from the training even the median value two and mode value two restated the finding. Sixty percent and twenty four per cent of the respondents revealed that they are provided with a right kind of climate to implement the new ideas and methods acquired through training. The median value two and mode value two also supporting the same. Ninety per cent of the respondents agree that the training program and its objectives are beneficial to them and the median value two and mode value two also reiterated the finding. Eighty two per cent of the respondents stated that the training program enhanced their functional abilities and median value two and mode value two restated the statement. Eighty eight per cent of the respondents opined that they are more efficient in their jobs after attending the training programs and the median value two and mode value two supporting the statement. Majority of the respondents (Agree: 70 per cent and Strongly Agree: 16 per cent) agree that they made some contribution due to training and the median value two and mode value two also restated the statement. Sixty three per cent respondents agree and twenty two strongly with the statement that there was sufficient follow up on learning objectives after training programs. The median value two and mode value two reiterated the finding.
Table 8.6: Level of agreement - Opportunity for Application of Training

<table>
<thead>
<tr>
<th>Opportunity for Application of Training</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Given adequate time to reflect and plan the improvements in the work (OPPN 1) (Median =2, Mode = 2)</td>
<td>135 (29.09)</td>
<td>249 (53.66)</td>
<td>74 (15.95)</td>
<td>6 (1.29)</td>
<td>-</td>
</tr>
<tr>
<td>Opportunity to do the job more efficiently after attending the training (OPPN 2) (Median =2, Mode = 2)</td>
<td>112 (24.14)</td>
<td>285 (61.42)</td>
<td>65 (14.01)</td>
<td>2 (0.43)</td>
<td>-</td>
</tr>
<tr>
<td>Opportunity to meet individual objectives and organizational objectives (OPPN 3) (Median =2, Mode = 2)</td>
<td>159 (34.27)</td>
<td>258 (55.60)</td>
<td>47 (10.13)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Opportunity to value addition/improve the functional abilities (OPPN 4) (Median =2, Mode = 2)</td>
<td>103 (22.20)</td>
<td>294 (63.36)</td>
<td>64 (13.79)</td>
<td>3 (0.65)</td>
<td>-</td>
</tr>
<tr>
<td>Opportunity and sufficient follow up on learning are made after the training (OPPN 5) - (Median =2, Mode = 2)</td>
<td>112 (24.14)</td>
<td>294 (63.36)</td>
<td>58 (12.50)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>I feel that I have made some contribution because of training (OPPN 6) (Median =2, Mode = 2)</td>
<td>75 (16.16)</td>
<td>323 (69.61)</td>
<td>58 (12.50)</td>
<td>8 (1.72)</td>
<td>-</td>
</tr>
<tr>
<td>Right kind of climate was provided to implement new ideas and methods acquired through training (OPPN 7) (Median =2, Mode = 2)</td>
<td>101 (21.77)</td>
<td>294 (63.36)</td>
<td>64 (13.79)</td>
<td>5 (1.08)</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis represents percentage.
8.2.6. LEVEL OF AGREEMENT ON THE EFFECT OF TRAINING ON INDIVIDUAL PERFORMANCE

Training programs are viewed and perceived differently by employees, but usually training programs are offered to employees enhances their skills set. The overall effectiveness of training program can be measured through its impact on the employees; hence the employees’ perception on the various constructs was taken into consideration to measure the overall perception of employees on the benefits and effects of training programs.

Majority of the respondents (Agree: 48 per cent and Strongly Agree: 45 per cent) stated that training programs improved their working knowledge. The median value two and mode value two restated the finding. Ninety per cent (Agree: 56 per cent and Strongly Agree: 35 per cent) revealed that the training enhanced their skills and the median value two and mode value two supported the statement. Ninety per cent of the respondents (Agree: 39 per cent and Strongly Agree: 51 per cent) perceived that training improved behaviour and inculcated positive attitude towards job and organization and the median value two and mode value two reiterated the finding. Majority of the respondents opined that the training programs improved their confidence (90 per cent) level and communication (89 per cent). The median value two and mode value two restated the finding. Eighty eight per cent of the respondents (Agree: 63 per cent and Strongly Agree: 25 per cent) stated that training programs inculcates motivation the median value two and mode value two restated the finding.

8.2.7. LEVEL OF AGREEMENT ON THE EFFECT OF TRAINING ON ORGANIZATIONAL PERFORMANCE

Majority of the respondents (Agree: 27 per cent and Strongly Agree: 61 per cent) opined that the motivation level was improved due to training program and the median value two and mode value two reiterated the finding. Majority of the respondents stated that the training programs inculcated team work and the median value two and mode
value two also supported the finding. Ninety one per cent of the respondents (Agree: 27 per cent and Strongly Agree: 64 per cent) revealed that their performance improved after training programs and the median value two and mode value two also restated the statement. Eighty eight per cent of the opined that the training programs contribute to their job satisfaction and Eighty three per cent of the respondents observed the change in their colleagues’ behaviour.

Table 8.7: Level of agreement on Individual Performance

<table>
<thead>
<tr>
<th>Benefits and Effects of the training programs</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing the trainees work knowledge (BEN1) (Median =2, Mode = 2)</td>
<td>208 (44.83)</td>
<td>224 (48.28)</td>
<td>32 (6.90)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increasing the trainees skills (BEN2) (Median =2, Mode = 2)</td>
<td>161 (34.70)</td>
<td>263 (56.68)</td>
<td>40 (8.62)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Inculcated positive attitude (BEN3) (Median =2, Mode = 2)</td>
<td>183 (39.44)</td>
<td>237 (51.08)</td>
<td>44 (9.48)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Improved confidence level (BEN4) (Median =2, Mode = 2)</td>
<td>167 (35.99)</td>
<td>250 (53.88)</td>
<td>47 (10.13)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Improved communication skills (BEN5) (Median =2, Mode = 2)</td>
<td>116 (25)</td>
<td>299 (64.44)</td>
<td>49 (10.56)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*Note: Figures in parenthesis represents percentage.*
Table 8.8: Level of agreement on Organizational Performance

<table>
<thead>
<tr>
<th>Organizational Performance</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increases the quality of products (BEN6)</td>
<td>114</td>
<td>294</td>
<td>56</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(Median =2, Mode = 2)</td>
<td>(24.57)</td>
<td>(63.36)</td>
<td>(12.07)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I improved teamwork between departments (BEN7)</td>
<td>114</td>
<td>289</td>
<td>61</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(Median =2, Mode = 2)</td>
<td>(24.57)</td>
<td>(62.28)</td>
<td>(13.15)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased sales performance (BEN8)</td>
<td>124</td>
<td>297</td>
<td>43</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(Median =2, Mode = 2)</td>
<td>(26.72)</td>
<td>(64.01)</td>
<td>(9.27)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased my involvement with the job (BEN9)</td>
<td>122</td>
<td>292</td>
<td>50</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(Median =2, Mode = 2)</td>
<td>(26.29)</td>
<td>(62.93)</td>
<td>(10.78)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decreases waste and cost of production (BEN10)</td>
<td>83</td>
<td>328</td>
<td>47</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>(Median =2, Mode = 2)</td>
<td>(17.89)</td>
<td>(70.69)</td>
<td>(10.13)</td>
<td>(1.29)</td>
<td></td>
</tr>
<tr>
<td>Significant behavior change in employees (BEN11)</td>
<td>79</td>
<td>305</td>
<td>75</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>(Median =2, Mode = 2)</td>
<td>(17.03)</td>
<td>(65.73)</td>
<td>(16.16)</td>
<td>(1.08)</td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis represents percentage.
8.3. PURPOSE OF STRUCTURAL EQUATION MODELING

Structural equation modeling (here in after SEM) became popular for the analysis of non-experimental data in social sciences and management researchers. LISREL model was more flexible in establishing the identification and goodness-of-fit of the overall model and the individual parameters. LISREL modeling will yield precise results. LISREL allows for the analysis of many different standard and non-standard models including factor analysis, regression analysis, recursive and non-recursive path analysis. Jorsekog, K. and Sorbom. D. (1985) revealed that LISREL programs allow for the comparison of models across sample populations as well as it is useful to test the theoretical relationships among variables in a brief manner.
Table 8.9: Goodness of fit indices Acceptable Thresholds

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Acceptable Threshold Level</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>Low Chi-square relative to degree of freedom with an insignificant p value (p&gt;0.05) 2:1</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td></td>
<td>(Tabachnik, B.G. and Fidell, L.S. 2007)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3:1 (Kline, R.B. 2005)</td>
<td></td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>Values less than 0.07 (Steiger, J.H.2007)</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Index (GFI)</td>
<td>Values Greater than 0.95 (Miles, J. and Shevlin, M. 1998)</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Index (AGFI)</td>
<td>Values greater than 0.95 (Tabachnik, B.G. and Fidell, L.S. 2007)</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>Good Models have small RMR (Tabachnik, B.G. and Fidell, L.S. 2007)</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual (SRMR)</td>
<td>SRMR less than 0.08 (Hu, L.T. and Bentler, P.M. 1999)</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Incremental Fit Indices (NFI)</td>
<td>Values greater than 0.95 (Bentler, P.M. and Bonnet, D.C. 1980)</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>Values greater than 0.95 (Hu, L.T. and Bentler, P.M. 1999)</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>Values greater than 0.95 (Hu, L.T. and Bentler, P.M. 1999) and (Fan et al., 1999)</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>
There are six items to measure the executives’ perception on overall training objective. It was found that trainees more importance to the topics covered and pre-course material relationship with training objective. Except the factor loading values of OBE1 and OBE4 all other loadings are significant i.e. above .70. Without the modification indices between the error co-efficient of OBE1 AND OBE2 as well as OBE1 and OBE3 the model was not fit. When the error co-efficient was correlated the model was fit and the Goodness fit statistics are given below.

Chi-Square=15.96, df=7, p-value=0.02547, RMSEA=0.054
Table 8.10: Goodness of fit indices for Training Objective

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(15.96/7)</td>
<td>Acceptable.</td>
</tr>
<tr>
<td></td>
<td>2.28</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.054</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Indices (GFI)</td>
<td>0.99</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Indices (AGFI)</td>
<td>0.96</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.096</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.022</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with six items for measuring overall training objective displayed an acceptable fit indices with $\chi^2 (7) = 2.28$, GFI = .99, RMSEA = .054.
There are nine items to measure the executives’ perception on overall training course contents. Except the factor loading of CONT2 other loadings are significant i.e. above .70. It was found that executives are giving more importance to ‘Training Contents focused on trainees Career objective and organizational objective’ (CONT 8). Without correlating the error co-efficient between the suggested modification indices the model was not fit. When the error co-efficient was correlated between CONT2 to CONT3, CONT2 to CONT5, CONT2 to CONT7, CONT3 to CONT8, CONT4 to CONT5 and CONT4 to CONT7 then the model was fit and the Goodness fit statistics are given below.
Table 8.11: Goodness of fit indices for Course Content

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(64.57/19) 3.39</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.072</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Indices (GFI)</td>
<td>0.97</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Indices (AGFI)</td>
<td>0.93</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.010</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual (SRMR)</td>
<td>.025</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.98</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.98</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with nine items for measuring overall training course content displayed an acceptable fit indices with $\chi^2_{(19)} = 3.29$, GFI = .97, RMSEA = .072.
There are nine items to measure the executives’ perception on overall training facilities and equipment. It was found that the executives are giving importance to the training materials and tools when compared to other facilities. The factor loadings of all items are significant i.e. above .70. The model was fit and the Goodness fit statistics are given below.

Degrees of Freedom = 0

Minimum Fit Function Chi-Square = 0.00 (P = 1.00)

Normal Theory Weighted Least Squares Chi-Square = 0.00 (P = 1.00)

The Model is saturated, the Fit is perfect!

The CFA with three items for measuring overall training facilities and equipments displayed an acceptable fit indices with $\chi^2 (3) = 0$, GFI = Perfect fit, RMSEA = .0.
There are seven items to measure the executives’ perception on the Trainer’s Ability and Deliverable. Except the factor loadings of TRAINER1, TRAINER2 and TRAINER4 other loadings are significant i.e. above .70. It was found that the executives are giving importance to Subject Knowledge of the Trainer (TRAINER 6) and Conducting pretest and posttest of training (TRAINER 7). Without correlating the error co-efficient between the suggested modification indices the model was not fit. When the error co-efficient was correlated between TRAINER1 to TRAINER2, TRAINER1 to TRAINER3, TRAINER1 to TRAINER5, TRAINER1 to TRAINER6, TRAINER2 to TRAINER3, and TRAINER3 to TRAINER6, then the model was fit and the Goodness fit statistics are given below.
<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(12.19/8) 1.52</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.034</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Indices (GFI)</td>
<td>0.99</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Indices (AGFI)</td>
<td>0.97</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.0068</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.017</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with seven items for measuring trainers’ capabilities displayed an acceptable fit indices with $\chi^2 (8) = 1.51$, GFI = .99, RMSEA = .034.
There are seven items to measure the executives’ perception on the opportunity for application of learning. Except the factor loadings of OPPN2 other loadings are significant i.e. above .70. It was identified that executives are giving significant importance to having ‘right kind of climate was provided to implement new ideas and methods acquired through training’ as well as ‘opportunity to meet individual objectives and organizational objectives’. The items OPPN5 and OPPN6 were deleted because of very low loading. Without correlating the error co-efficient between the suggested modification indices the model was not fit. When the error co-efficient was correlated between OPPN1 to OPPN2, OPPN1 to OPPN3 and OPPN2 to OPPN3 then the model was fit and the Goodness fit statistics are given below.
Table 8.13: Goodness of fit indices for opportunity to apply the training learning

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(6.11/2) 3.55</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.067</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Indices (GFI)</td>
<td>0.99</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Indices (AGFI)</td>
<td>0.96</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.0042</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.011</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.98</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with seven items for measuring opportunity for application displayed an acceptable fit indices with $\chi^2 (7) = 4.4$, GFI = .93, RMSEA = .084.

Fig. 8.6. Model of training effectiveness is given with its constructs
The training effectiveness comprises of five constructs i.e. training objective, course content, facilities and equipment, trainer’s ability and opportunity for application. The loading value for EQUIP was low and the factor loading of COUR_CON also less than the .70. The other constructs factor loadings are significant i.e. above .70. Without correlating the error co-efficient between the suggested modification indices the model was not fit. When the error co-efficient was correlated between OBJECTIV to COUR_CON, EQUIP to TRAINER, OBJECTIV to TRAINER and EQUIP to OPPORTUN then the model was fit and the Goodness fit statistics are given below.
Table 8.14: Goodness of fit indices for training effectiveness with its constructs

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(4.35/1) 4.35</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.085</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Indices (GFI)</td>
<td>1.00</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Indices (AGFI)</td>
<td>0.94</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.0045</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.013</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.97</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.97</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with five antecedents for measuring overall training effectiveness it displayed an acceptable fit indices with $\chi^2 (1) = 4.33$, GFI = 1.00, RMSEA = .085.
Fig. 8.7. Model of individual performance

The individual performance was measured through five outcomes of employees. The executives’ perception was taken into consideration to measure the training effectiveness influence on the individual performance. All the factor loadings on individual performance are significant i.e. above .70. The executives stated that, the training effectiveness will improve the work knowledge, skills, confidence level, positive attitude and communication. Without correlating the error co-efficient between the suggested modification indices the model was not fit. When the error co-efficient was correlated between BEN2 to BEN4, BEN3 to BEN4 and BEN3 to BEN6 then the model was fit and the Goodness fit statistics are given below.
Table 8.15: Goodness of fit indices for Individual Performance

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(8.70/2) 4.35</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.085</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Indices (GFI)</td>
<td>.99</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Indices (AGFI)</td>
<td>0.94</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.0052</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.014</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.97</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index(NFI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.98</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with five items for measuring individual performance it displayed an acceptable fit indices with $\chi^2 (2) = 4.2$, GFI = .99, RMSEA = .085.
The organizational performance was measured through six outcomes of organization. The executives’ perception was taken into consideration to measure the training effectiveness influence on the organizational performance. All the factor loadings on individual performance are significant i.e. above .70 except BEN11. The executives opined that the effective training will also improve the organizational performance by decreasing the cost of production, improving the team work between departments, improving the product quality, increases the sales and brings the behavioural changes. Without correlating the error co-efficient between the suggested modification indices the model was not fit. When the error co-efficient was correlated between BEN7 to BEN9, BEN7 to BEN10, BEN7 to BEN11, BEN8 to BEN9, BEN8 to
BEN10, BEN8 to BEN11 and BEN9 to BEN10 then the model was fit and the Goodness fit statistics are given below.

**Table 8.16: Goodness of fit indices for overall Organizational Performance**

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(6.52/2) 3.26</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.072</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Index (GFI)</td>
<td>1.00</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Index (AGFI)</td>
<td>0.95</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.0046</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.013</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.98</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index(NFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.99</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>1.00</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The CFA with six items for measuring overall organizational performance it displayed an acceptable fit indices with $\chi^2_{(2)} = 3.32$, GFI = 1.00, RMSEA = .072.
Fig.8.9. Model to measure the Training Effectiveness Relationship With Individual Performance And Organizational Performance (n=464)
### Table 8.17: Goodness of fit indices to measure the Training Effectiveness Relationship with Individual Performance and Organizational Performance

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Goodness of Fit Statistics</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square Relative / df</td>
<td>(699.59/66)</td>
<td>Acceptable. Good model fit</td>
</tr>
<tr>
<td></td>
<td>10.59</td>
<td></td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.14</td>
<td>Reasonable Model fit</td>
</tr>
<tr>
<td>Goodness of Fit Index (GFI)</td>
<td>0.83</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Adjusted Goodness of Fit Index (AGFI)</td>
<td>0.74</td>
<td>Excellent model fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR)</td>
<td>0.041</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Standard Root Mean Square Residual SRMR</td>
<td>.14</td>
<td>Well fit model</td>
</tr>
<tr>
<td>Relative Fit Index (RFI)</td>
<td>.93</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Incremental Fit Index</td>
<td>.95</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>.95</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Non-Normed Fit Index (NNFI) (TLI)</td>
<td>.93</td>
<td>Good model fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>.95</td>
<td>Good model fit</td>
</tr>
</tbody>
</table>

The structural equation model to measure the relationship between the training effectiveness with individual performance and organizational performance displayed an acceptable fit indices with $\chi^2_{(66)} = 10.5$, GFI = .83, RMSEA = .14, NFI = .95, CFI = .95, IFI = .95 and RFI = .93. There is a positive relationship between Training effectiveness and Individual performance as well as Organizational performance. There is a positive relationship between individual performance and organizational performance.
9.1. FINDINGS

STUDY 1:

STUDY 1A:

1. The Strategic Rationale for imparting training and development Programmes has been changing from 1953 to till date.
   1. From 1953 to 1980s was to bring awareness about safety at workplace, technical knowhow, reducing the waste, dos and don’ts during the process, reducing the absenteeism, to bring awareness about the labour laws and employee benefits etc.
   2. From 1980s to 1990s training rationale included Motivation, Team Building, Transaction Analysis, How to use Safety Equipment and work safe, How to improve performance and productivity.
   3. From 1990s a new and innovative training called Quality of Life and Quality of Work was coined and conducted for all the Employees along with their spouse. The theme of the training was “If an Employee was happy and contended in his Family life, he will definitely prove to be an asset to the Company”. For executives behavioural training objectives were to improve Supervisory Skills, Communication Skills, Motivation Skills, Transactional Analysis, Presentation Skills, Leadership Skills and Selling Skills and Technical Training objectives include How to improve productivity, How to improve the efficiency on continuous Lines and How to manage PLC systems.

2. The training objectives are: Increased training need, increased competencies, statutory requirements, vendor requirements, increased functional competencies, diversified disciplines of education, zero accidents, less rejections of the finished products, cost reduction, safe working, self development, leading others, leading leaders, leading business, to make employees multi skilled, to improve integrity,
to increase honesty, to reduce absenteeism, sustain the organizational culture, building tomorrow’s leaders etc.

3. **The Major problem was:** The manufacturing cost of Nutrine products was INR 38 per kilogram, whereas the cost of production of competitors for similar products was INR 18 to 20. The top management of the company was in a dilemma whether to continue the production by redesigning the training and implementing training evaluation, or to stop the production by giving the production to a third party.

4. Some other challenges facing by the Nutrine Confectionery are: Cost of Production and Raw material, Marketing research and intelligence, Sales force retention and training, Manpower rationalization and Employee commitment, High Fixed cost, No training evaluation or corrective measures, Return on Investment (Training and Development), High cost involved for stopping the production (Employees compensation) and Union Involvement and chances of losing company assets

5. From 1950-1990s no training evaluation was there. From 1990s written feedback was taken after every session. In the case to Quality of Life and Quality of Work, use to have Review sessions with their spouse to know how they were benefited and what improvements they made to improve their Quality of Life. These sessions were Video recorded.

6. Feedbacks from employees were collected through, Know Your Consumer Programs, internal customer satisfaction surveys, Voice-of-the-Employee Program and 360 degree feedback programs etc. It has defined performance tools and process, reward the top performers and identify weak performers and offer performance based variable remuneration to inculcate sense of responsibility, accountability and ability to face challenges.

7. The Goals were set realistically, where the subordinate and supervisor use to discuss on the targets and arrive at the targets. The performance was revived once in 3 months and the Employee use to allow to undergo training to improve his skills and knowledge. The Executives without Management Degree were given opportunity to peruse e-MBA which was conducted with the help of IIM Indore
and IIT Mumbai. All the training programs conducted were evaluated to know the impact of training and the benefits of the training. The Trainees were asked to give written feedback on the Training facility, Food arrangements, Training Material, Trainer and how they like the training and suggestions to improve. Immediate feedback was also collected to measure the learning; knowledge, skills and habits.

8. It was found that the allotted training evaluation budget amount used to divert to other priorities.

**STUDY 1B:**

1. The researcher found that in all of the respondents companies the reactions of trainees were evaluated after training. All other companies were collecting the feedback immediately on facilities, schedule, meals, trainer etc. The respondents revealed that the reactions are collected immediately but they don’t know about whether the response was honest or not? Except one company rest of the companies didn’t develop acceptable standards and they were not measuring against standards but they didn’t take appropriate action based on the feedback of trainees. Hence the **proposition 1 is supported.**

   One HR manager stated that:
   
   "We do various levels of Kirk Patrick model of evaluation basing on the type of training programs. For example if it was a refresher program we do only Reaction part. In our company, we have developed an online tool basing on the Kirk Patrick model of evaluation. We have been doing the Reaction part which was level 1 since many years. We have our own customized feedback form, which the participants of the training program will give his/her feedback on the trainer and program. This will be on various parameters like trainer facilitation skills, query handling, subject knowledge etc. and on the program if the module was in line with their requirements, food & venue ambience, duration of the program etc.

2. The researcher also found that the almost all the companies are taking the scores of pre-test and post-test of training programs. But except one company rest of the not using the results of the evaluation to take the appropriate action. Hence it is
found that the proposition 2 is supported. The HR manager of a company described the learning evaluation:

For safety programs we follow both Reaction and Learning levels in evaluation and we also have the evaluation of Level 2 which was the learning part. Now as per Kirk Patrick model we measure the learning before and immediately after the program. We do this by conducting a Pre & Posttest for all the programs both behavioral and technical also. This will be mostly objective questionnaire and in few cases a combination of objective and descriptive also. Pre & Posttest measure the knowledge part of the participant as to how much he has learned the content of the program. The questionnaire that was developed will be in line with the training module that was developed. The same questions will be given with some jumbling as the post test. We immediately conduct the posttest since this was only a measurement of learning and not the applicability of the learning. Now we ensure that the trainer also covers the concept related to the questions that are covered in the pretest. For effectively measuring the effectiveness at this level 2 of Kirk Patrick’s model we ensure that the training module was not developed in a generic way but customized as per our requirements. We calculate each participant learning percentage for that particular training program.

3. The researcher also found that the implementing behaviour evaluation was so complex when compared to the evaluation of reactions and learning and majority of the companies are not evaluating the behaviour of trainees after training programs. Hence the proposition 3 is supported. The HR manager of Amarraja group described the behaviour evaluation in their company:

Coming to Level 3 of Kirk Patrick model, once an employee comes back from the training program how does his superior assess his “Behavior” part i.e. did the learner apply the learning on the job or not. For this to happen we have to compulsorily do the competency mapping for every employee. For every competency we define minimum two outcomes. These are the learning outcomes. The outcomes will be shared with the trainer which helps the trainer to develop the content in line with the requirements. After the competencies and the respective outcomes for each competency which in turn was linked to the position has been mapped, the respective superiors will have to do the training need identification. Out of the mapped competencies, the superior will identify
few training needs which are of priority for that employee. While doing the TNI, the superior should define Business result expected and the target. Learning outcomes are those which the participant was expected to learn by the end of the training program. Business result expected was one which the employee has to apply on the job and accomplish or complete within 30 days to 90 days after the program. Target set was something quantifiable. The fourth stage which was “Results” was measured generally between 6 months to 1 year. After the participant has applied the learning and achieved the business result, how that impacted the business results will set by the department, function or by the organization (For example the Balanced Score Card).

At level 3, the participant has to make a self-assessment of his Behavior or application of learning and then the superior will assess him based on some criteria taking into consideration the business result that has been defined when identifying the training need. For external programs that come as a training need in between, we will map them into the effectiveness model.

The HR manager of Saint Gobin revealed that ‘We nominate our employees for some external programs where more investment was needed. For such programs we evaluate reaction, learning and behavior part. The employees after coming back from the training are given some projects with specifications of achievements/targets along with deadlines. Hence we will evaluate whether the participants were able to apply the learning back on the job which evaluates the Behavior part. We also calculate return on investment for such programs. Before the program was sponsored Finance team will track the expenses and all necessary approvals will be documented.’ Now after a period of six months or so, once the participant/learner applies the learning, we measure the savings from the project that has been given.

4. This was found by the researcher that measuring the effects on the business or environment resulting from the trainee’s performance was difficult, require more efforts, time-consuming and costlier when compared to measuring reactions, learning and behaviour, hence not even one company evaluating the results after training. The HR manger of a company revealed that ‘their company was in evaluating the behaviour and they will evaluate the results in the next year, and he also revealed that they had tie up with Kirkpatrick’s institution to implement the process and they are in the process.’

(All the four propositions are supported by the researcher)
STUDY 2:

1. The factor analysis results for the training attributes / outcomes explains KMO is .868 and Bartlett’s test values are - Chi-Square (1.584E3), df (190) and sig. (.000). The exploratory factor analysis results brought three factors which account 72.90 variance.

2. It is noted that on skill development of training outcomes there is significant difference between in house and outdoor training methods. The f value (f=11.523, p=0.001) supported by the mean values of in house training (5.45) and outdoor training (5.86). With team building outcome the f value (6.43), p value (0.001) indicates there is difference between two types of training and the mean values are 5.47 for in house training and 5.80 for outdoor training. Lastly with respect to training relatedness the f value supports there is high degree of difference between the two training types with mean values of 5.24 for in house training and 6.19 for outdoor training. Therefore the hypotheses $H_{1a}, H_{1b}$ and $H_{1c}$ are not accepted.

STUDY 3:

Overall training effectiveness include: overall training objective, overall training course content, overall training facilities and equipments, trainers’ capabilities and opportunity for application.

1. The CFA with six items for measuring overall training objective displayed an acceptable fit indices with $\chi^2(7) = 2.28$, GFI = .99, RMSEA = .054. Even though fit indices reveals that all the items are important to meet the overall training objective, executives opined that the relationship between training objective with topics covered and pre-course material are important.

2. The CFA with nine items for measuring overall training course content displayed an acceptable fit indices with $\chi^2(19) = 3.29$, GFI = .97, RMSEA = .072. It was found that executives are giving more importance to ‘Training Contents focused on trainees Career objective and organizational objective’ (CONT 8).
3. The CFA with three items for measuring overall training facilities and equipment displayed an acceptable fit indices with $\chi^2_{(3)} = 0$, GFI = Perfect fit, RMSEA = .0. It was found that the executives are giving importance to the training materials and tools when compared to other facilities.

4. The CFA with seven items for measuring trainers’ capabilities displayed an acceptable fit indices with $\chi^2_{(8)} = 1.51$, GFI = .99, RMSEA = .034. It was found that the executives are giving importance to Subject Knowledge of the Trainer (TRAINER 6) and Conducting pretest and posttest of training (TRAINER 7).

5. The CFA with seven items for measuring opportunity for application displayed an acceptable fit indices with $\chi^2_{(7)} = 4.4$, GFI = .93, RMSEA = .084. It was identified that executives are giving significant importance to having ‘right kind of climate was provided to implement new ideas and methods acquired through training’ as well as ‘opportunity to meet individual objectives and organizational objectives’.

**Overall training effectiveness:**

1. The CFA with five antecedents for measuring overall training effectiveness it displayed an acceptable fit indices with $\chi^2_{(1)} = 4.33$, GFI = 1.00, RMSEA = .085. It was identified that out of all the five constructs executives stated that the overall effectiveness of training depends on trainer ability, opportunity for application of training and overall objective of training.

**Overall training effectiveness outcomes are:** individual performance and overall organizational performance

1. The CFA with five items for measuring individual performance it displayed an acceptable fit indices with $\chi^2_{(2)} = 4.2$, GFI = .99, RMSEA = .085. The executives stated that, the training effectiveness will improve the work knowledge, skills, confidence level, positive attitude and communication.

2. The CFA with six items for measuring overall organizational performance it displayed an acceptable fit indices with $\chi^2_{(2)} = 3.32$, GFI = 1.00, RMSEA = .072. The executives opined that the effective training will also improve the
organizational performance by decreasing the cost of production, improving the team work between departments, improving the product quality, increases the sales and brings the behavioural changes.

**Measuring the relationship of training effectiveness with organizational performance and individual performance:**

1. The structural equation model to measure the relationship between the training effectiveness with individual performance and organizational performance displayed an acceptable fit indices with $\chi^2_{(66)} = 10.5$, GFI = .83, RMSEA = .14, NFI = .95, CFI = .95, IFI = .95 and RFI = .93. The executives opined that training effectiveness will have more influence on individual performance than organizational performance and in turn the individual performance will have impact on organizational performance.
9.2. SUGGESTIONS

1. Even though Nutrine Confectionery was offering various training programmes, as there was no standard training evaluation practice to measure the training effectiveness it is advised to adopt a standardized training evaluation and measuring return on investment.

2. The management should recognize the importance of human capital and importance of training effectiveness. It was suggested that the company should not see the training evaluation budget as expenditure and should see as an investment and it should not divert the budget to other functions.

3. Training need assessment should be made properly, even though there are many training objectives the management was not evaluating whether the training objective was met or not.

4. The management advised to take corrective actions as per the feedback, and also suggested to implement the training evaluation for learning, behavior and results.

5. To continue with production by adopting training evaluation to measure and improve the effectiveness of training, students may consider some of the following issues:
   - Reducing the cost of production
   - Strengthening the Marketing and Sales department
   - Implementing proper training need assessment
   - Implementing training evaluation not only in measuring reactions, but also in measuring learning, behavior and results.
   - Threat of union
   - Attitude of employees and management

6. All the companies are suggested to implement the training evaluation model of measuring reactions, learning, behavior and results. It will surely help the individuals and organization to meet their objectives.
7. As is noted that there is significance difference in the training outcomes of in-house and outdoor training programmes with respect to skill development, team building and training relatedness it is suggested to offer more outdoor training programmes than in-house training programmes.

8. As the trainees were giving more importance to the relationship between topics covered and training objective the companies should be keen in topics and pre-course learning material.

9. To bring the overall training effectiveness the following suggestions are offered: overall training objective can be effective if there is match between the training objective and the topics covered as well as with the pre-course material.
   a) The overall training course content displayed can be effective if the training content focus on ‘Trainees Career objective and organizational objective’ (CONT 8).
   b) The overall training facilities and equipment will contribute to make the training effective when it offers effective training materials and tools when compared to other facilities. The trainers’ capabilities displayed can improve the training effectiveness if the training department can bring trainers with high subject knowledge and who can conduct and evaluate pretest and posttest of training.
   c) The opportunity for application will improve the overall training effectiveness if the trainees are provided with ‘right kind of climate was provided to implement new ideas and methods acquired through training’ as well as ‘opportunity to meet individual objectives and organizational objectives’.

10. To improve the overall training effectiveness the companies are suggested to concentrate more on trainer ability, opportunity for application of training and overall objective of training.

11. To improve the Overall training effectiveness outcomes the companies need to concentrate on individual performance and overall organizational performance in the following aspects:
   1) To improve the individual performance the training should concentrate on improving the work knowledge, skills, confidence level, positive attitude and communication.
2) To improve the overall organizational performance the training should concentrate on decreasing the cost of production, improving the team work between departments, improving the product quality, increases the sales and brings the behavioural changes.

12. The companies need to measure the reactions, learning, behavior and results. It should also measure the effectiveness of training by measuring the individual performance difference before training and after training and the individual contribution for reaching the organizational objective.
9.3. CONCLUSION

The Manufacturing is a dynamic and changing sector. Though India missed Industrial Revolution that took place in during the year 1700, the manufacturing activity has grown considerably after the Independence to the country and India turned out to be largest Exporter of Textiles in the World. Meanwhile Indian government also took initiatives to promote and increase the number of Manufacturing Industries to boost the Economy. Government also took active steps in setting up Units by investing funds, which brought into many Public Sector Industries such as HAL, HMT, BHEL, Indian Oil Corporation etc., and also encourage Private Entrepreneurs to come forward to set up Large Industries, which made possible to set up large Industries such as Tata’s, Birla’s, Godrej, Reliance, Mahindra etc.,.

The new industrial policy has been amended unveiling on July 24th, 1991 which was aimed allow large Global players to set up the Units in India. Restrictive Trade Practices Act has even been an issue of concern, which was mitigated to encourage the domestic player and industries enabling them to expand facing the foreign competition. The public sector has been restructured promoting the direct foreign investments ranging from 51% to 100% in the selected industries of the country. Industrial licensing system was liberalized for all industries, and for few, it was completely abolished.

The manufacturing sector grew by only 0.2 per cent in 1991-93, the early stages of liberalization. But in the later stages by the end of 1996 it amounted to 14% however falling down drastically to 6 per cent by the end of 1998. Today Industrial sectors accounts for 19 percent of the nation’s GDP and employs 14percent of the total workforce standing 12th in the world’s nominal factory output ranking.

Andhra Pradesh is considered to be an economical and attractive destination for investments from domestic and foreign investors. According to CII survey, Andhra Pradesh has been rated as the best performing state in the manufacturing sector among the four states in the south Vishakhapatnam with high number of Pharma Industries is growing to be big manufacturing hub especially due its location advantage of having Seaport and an International Airport. Sri City an Integrated Business City spread in 7000+ acres in Chittoor District is one of largest private sector Business city in Southern India.
built in functional partnership with Government of Andhra Pradesh where many MNC & Indian companies have set up manufacturing sources and are showing much interest to set up their Units. Government of Andhra Pradesh also is having special focus to bring in many large Industries in the state by convincing investors both domestic and international.

Chittoor district is having rich agro resources (paddy, Ragi, Groundnut and Sugar Cane), Horticulture (Mango, Cashew nut, Tomato, Papaya and Tamarind), Mineral Resources (Steatite, Soap stone, Road metal, building stones and different colors of Granite) and Dairy Resources. As per the statistics of Factories department more than 152 large manufacturing industries are in Chittoor District such as Amar raja Group, Lanco, Nutrine Confectionery, Balaji Diary, and Coke etc. Apart from this at Sri City alone many major industries such as Kellogg’s, Cadbury, Coke, Pepsi and many Japanese Engineering industries have set up their manufacturing units.

As manufacturing industries became the backbone of Indian economy by providing abundant employability. Some Industries are becoming sick because of lack of skills, technical knowledge, financial, labor unrest, loss of market and other problems. Role of Training may be seen as “ensuring that the Organization has the people with the correct mix of attributes, through providing appropriate learning opportunities and motivating people to learn and thus enabling them to perform to the highest levels of quality and service” (Benley, 1990:25). It is also clear that the Human Resources available at the Manufacturing Industries need to improve their skill set and talent to be considered as Human Capital. This is possible through continuous Training and Development. As the change is constant in all functions, the performance of employees will be directly proportionate to the training programs.

The study was conducted to identify and understand the various training programs conducted in large manufacturing industries of Chittoor District and to identify the various training objectives that the companies are aiming through their activities.

A Case study was written on Nutrine Confectionery Company, through this qualitative research various major challenges that the company facing were identified. In December, 2012 Hershey India Pvt Ltd cancelled the joint venture it had with Godrej,
Godrej Hershey India Limited, under which Nutrine Confectionery Company operated, making it a full subsidiary of Hershey’s. Mr. B. Giasuddin, Associate Vice President Operations, conducted a financial review and found that the manufacturing cost of Nutrine products was INR 38 per kilogram, whereas the cost of production of competitors for similar products was INR 18 to 20. The top management of the company was in a dilemma whether to continue the production by redesigning the training and implementing training evaluation, or to stop the production and to outsource the activity of converting products to a third party. The teaching note also wrote to analyze the problems. After analyzing the case it was found that the cost of production is high when compared to the other confectionery companies and past five years company was in huge loss. Hence it was advised to stop the manufacturing on their own and to give the manufacturing to third party by keeping the brand with them.

Through extensive literature and the articles of Kirkpatrick as well as his book the researcher has taken four propositions; Measuring the thought and feeling of trainees was easy, needs less effort and cheaper hence majority of the companies are evaluating immediate reactions after training, Measuring level of knowledge and capabilities after training also was easy, needs less efforts and cheaper when compared to measuring behavior and results hence majority of the companies are evaluating immediate learning after training, Measuring the extent of behavior, capabilities improved and implementation/application of learning from training was difficult, requires more efforts and costlier when compared reactions and learning and vice versa with respect to results hence few companies only are evaluating behavior, Measuring the effects on the business or environment resulting from the trainee’s performance was difficult, require more efforts and costlier when compared to measuring reactions, learning and behavior, hence very few companies are evaluating the results and all these four propositions are supported.

Two empirical studies were conducted one is to understand the executives’ perception on the outcomes of in-house and outdoor training programmes and the second one is to measure the effectiveness of training. The first empirical study was on the perceptions of 74 executives of a confectionery company, which is analysed using the exploratory factor analysis, brought three factors which account 72.90 variance. Nine
items out of twenty loaded together and it named as Skill Development factor, Team building development and Relatedness to job and practices application. The MANOVA and Univariate F-test with descriptive statistics were conducted. The results of MANOVA’s four tests, especially Wilks’ Lambda (Wilks’ $\Lambda=0.676$, $F=23.053^a$ (df=3), $\text{sig.}=0.000$) supports there is a significant difference in executives perception on training outcomes: skill development, self-development and training need relatedness of in-house and outdoor training programmes. Hence companies are advised to concentrate more on out-door training programmes than in-house training programmes.

The second empirical study was analyzed through confirmatory factor analysis using structural equation modeling through LISREL 8.5. Goodness of fit indices were identified for each construct. The effectiveness of training including training objective, course content, equipment and facilities, trainer abilities and deliverables and opportunity for application of training learning. It was observed that training objective, course content, trainer’s ability and opportunity for application are vital in improving the effectiveness of training and employees did not feel that equipment and facilities as an important element. Effectiveness of training has positive relationship with individual performance and organizational performance. It was also observed that individual performance has positive relationship with organizational performance.

It was observed that some companies are organizing training programs like any other management activity and are thinking many times to allocate budgets and are diverting the budgets for other business activity by neglecting this activity. Some companies are allocating budgets, organizing training without focus and end result of this activity. Only very few companies are conducting training activity as per schedule with the help of professional team of experts in this function. A separate department is set up which can focus on this activity and gain the advantage of the cost incurred. Never the less, it is time that all the Manufacturing companies need to understand the importance of Training and Development activity. Need to allocate required budgets for this activity, have focus on the end results and to convert Human Resources into Human Capital, which do not have depreciation and appreciates every year. The training and training evaluation increases the employees skills, improves their capability, ability and to enhance the productivity, reduce cost and makes them future leaders of the company.
9.4. FUTURE RESEARCH

1. Case study was written basing on the availability of data and case clearance certification. If the future researcher wants to know how far the large manufacturing industries in Chittoor or in the other parts of India are facing similar type of problem they can go with finding the occurrence and its relation with the training effectiveness and training evaluation.

2. The case study very specific in confectionery industry and the research can be done with other sectors also.

3. The case analysis was done with only in training and development, training objectives and training evaluation dimension, it can also be analysed for the marketing dimension, strategy dimension and pricing strategy dimension etc.

4. The executives’ perception on in-house and outdoor training was done only in Nutrine Confectionery Company, it can also be tested in other sectors and other parts of the world not only from the executives’ perception from workers perspective also.

5. The effectiveness of training and its relation was analyzed using confirmatory factor analysis; it can also be extended to mediating factor influence and moderating factor influence by using demographical factors.

6. The data collected from various industries like food and beverages, general engineering etc. hence the relationship measured was not sector specific and it can be done on sector specific.