CHAPTER - 4

OPTIMIZATION OF TRAINING PROCESS

STUDY, ANALYSIS AND APPLICATION OF LEAN METHODOLOGY TO A CLASS OF IT ENABLED SERVICES
4.1 INTRODUCTION

The author in this chapter tries to analyze one of the core important IT enabled service activity namely "training". The quality training imparted to a new recruit is the real base for the career building and to deliver the targets, which reflects an individual's personality while helping the organizations potential to meet the much needed technology changing world.
Training Training is a process in order to change human being attitude, knowledge, skills and behavior. It is TASK oriented. Where TASK means the full-form of T --> Training A --> Attitude S --> Skill K --> Knowledge

The term training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. It forms the core of apprenticeships and provides the backbone of content at institutes of technology (also known as technical colleges or polytechnics). In addition to the basic training required for a trade, occupation or profession, observers of the labor-market recognize as of 2008 the need to continue training beyond initial qualifications to maintain, upgrade and update skills throughout working life. People within many professions and occupations may refer to this sort of training as professional development.

Some commentators use a similar term for workplace learning to improve performance "training and development". One can generally categorize such training as on-the-job or off-the-job

- Off-the-job training (Pre process training) is basically meant for the new recruit who is provided a platform to acclimatize to the organization's work culture and environment. Off-the-job training has the advantage that it allows people to get away from work and concentrate more thoroughly on the training itself. This type of training has proven more effective in inculcating concepts and ideas.
• **On-the-job training** takes place in a normal working situation, using the actual tools, equipment, documents or materials that trainees will use when fully trained. On-the-job training has a general reputation as most effective for vocational work.

Training has specific goals of improving one's capability, capacity, and performance.

- The different types of training include physical training, Religious and spiritual, Artificial intelligence feedback

**Training - Pre-Process Training**

Before candidates get on to the floor to ensure they are groomed and ready for a successful start.

The training covers

- English skills
- Accent neutralization
- Communication skills
- Cross culture training

Some of the main focus areas of the training

**Attitude Barriers** - where inputs are given on the right attitude to succeed, stress management, time management and team building. Along with quality awareness, attitudinal training enhances and contributes to the adjustment and functioning of trainees.
**CHAPTER 4**

**Phonetics and Language** - English usage, fluency, clarity, appropriate pronunciation and sentence structure that are most appropriate for the needed functions are taught. Idioms, phrases, figures of speech and phraseology are covered. Correct articulation, comprehension and conversation in English are given special focus. Written skills such as e-mail, summary of call details, reports, etc. are also part of the course.

**Culture** - Trainees are exposed to the foreign way of life - this includes government, social and business etiquette, holidays, music, sports, history sessions and weather, etc. A clear understanding of the native customer, culture, lifestyle and sociopolitical structure serves to help trainees identify the customer and respond accordingly.

**Customer Service and Communication Skills** - Understanding the customer, appreciating customer value, according him/her the rightful place and the correct treatment of customers are just a few of the topics that are interspersed with case studies and are creatively presented to trainees.

Call recordings of simulated situations are played back to trainees and are supporting factors for reviews and feedback. They provide motivation for higher levels of progress.

Currently the entire industry faces a challenge of availability of qualified workforce. The talent pool has become very scarce and thus companies like Multinational MNC face an acute shortage of employable resources. Plus they also have to spend a lot of time training the resources which are hired due to this gap between the available and employable potential.
CHAPTER 4

4.2. THE STUDY

A multi national IT organization is chosen for the study where regular Training processes is being undertaken throughout the year. The aim of applying the lean methodology by using novel statistical techniques so as to maximize the benefits in terms of saving lakhs of rupees of spending on training activity, thus simultaneously reduce the attrition and bench pool in the existing procedural activities which help in enhancing the overall performance.

4.3. THE CURRENT STATUS

Presently there is shortage of Jobs for candidates, shortage of placements for colleges, and also shortage of ready talent for companies. These shortages are contradictory in nature and thus provide an opportunity for innovation and improvisation.

This proposal is for a skill development course outside of Multinational MNC. This course will play the role of a bridge to eliminate gap between available talent and employable talent for BPO Voice Operations.

The generality of the concept "training" can be viewed as a process that to start the IT enabled services, soon after the onboarding activity and handing over procedures. The training for the new recruits will be generally undertaken by the organization. Training can be visualized as preprocess training and process training.
In the light of the technological advances and fast changing scenarios, if an organization can overcome the preprocess training activity and thus recruiting personnel for different positions and only if training processes is undertaken for the new recruits, such a company can enormously come down on exchequer and can stabilize the training process by minimizing the efforts required to shape the new recruits to a complete form of individual to perform the entrusted responsibility which will result in company's high output, thus showing abundant reduction in attrition.

High employee attrition rate within the IT industry is both common and manageable but a shortfall in qualified personnel will affect service providers in terms of

**Costs** To arrest high attrition rates, service providers will have to offer better salaries and benefits to employees. Given time, this will reduce the competitive advantage India currently enjoys in labor costs.

**Quality** The top available talent has already been absorbed by the industry. Service providers have no option but to recruit from a level below their optimal requirements, thus making in-house training very important. Gaps in this training directly affect the quality of staffing.

**Security** Any reduction in diligence resulting from the need for rapid recruitment increases the possibility of less-trustworthy staff being employed. The increase the risk of fraud or theft of confidential data.

Before engaging call center providers, inquire about their attrition rates and security measures." This ensures that adequate quality mechanisms like service-level
agreements with associated penalties, call monitoring, and customer satisfaction surveys, are built into contracts.

The training process as it is viewed can be presented as

**Process as is - Overview**

- **Consultant / Campus Hiring**
  - Recruiters travel to college campus or consultant’s office
  - Excessive hiring pressure due to high number requirement and limited visibility
  - Shortfall in hiring targets

- **Hiring day**
  - On-boarding & Induction.
  - Handover for pre-process training

- **Pre process Training**
  - Scheduling for pre-process training of 2 weeks
  - Training Attrition – 27.38% for last quarter
  - Training Throughput – 93% for last quarter
  - Training Bench – 16.83 calendar days / candidate

- **Handover for Process Training**
  - Finally 64% of candidates are handed over to process training after 30 days of joining.

Generally the training programs in any Multinational IT enabled sector will be imparted to the new recruits with an aim to enhance their customer value propositions who can deliver the defined service levels while executing the entrusted projects with a goal to achieve the targets, for the defined objectives through the apt applications of the lean philosophy so as to optimize the training propositions.
4.3.1 Project customer value proposition of the IT multinational

1. Sourcing team will get an opportunity to have a hiring funnel visibility.

2. Operations will be able to better plan their business.

3. Better qualified work force which will come from tier-2/3 cities. They have greater probability to work for longer duration

Project Deliverable Details

- Assessment of communication & English assessment test (ACE) qualified work force that will join directly in process training.
- Cost Savings
- Leakage savings – Pre process training attrition, pre process training throughput and pre process training bench.

Project Execution Challenge

Since the process does not have any precedents within or outside of IT MNC hence the project is following evolution model.

4.3.2. The objective of the study through lean philosophy application

The objective of optimization of training process in multinational company where in the study and analysis is carried out by the author to reduce the costs, attrition, bench pool are listed as
• To reduce training cost for IT MNC (Present INR 25000 to Proposed up to INR 12500)

• To reduce pre process training attrition from present 27.38% to 0%

• To reduce pre process training bench from present 16.38 days/candidate to proposed 0 days/candidate.

• To create talent pool for IT MNC.

4.3.3. Studying the wastages in the current process using Value stream Mapping.

This is a Mapping method to identify all the specific activities and process steps along the value stream of a specific product or product family. Value stream mapping is conducted in three steps Mapping the current value stream, mapping the future value stream, and creating an implementation plan. An official workshop brings together people from engineering, manufacturing, sales and supply.

Based on the information in order to identify the wastages in the current process, Value stream mapping technique is applied to identify the value add and non value add activities in the current process. The activities involved in value stream mapping and the procedure of analyzing the study is presented through the following flow chart.
4.4. ANALYSIS OF THE PROBLEM

Based on the objectives of the study and after designing the value stream mapping, the problem analysis will be carried out by segregating the entire activities involved in the process map into 3 types of activities namely Value Added (VA), Non Value Added (NVA) and Essential Non value Added (ENVA). Here the Non Value Added activities will be treated as wastages and hence it is to be eliminated from the process to optimize.
The categorization of activities is detailed as below.

**Value Adding Steps:**

- Date of Registration
- Date of Joining
- Process training starts

**Non-Value Adding Steps:**

- If training lab and trainer are available
- Training bench if both trainer and lab are available
- Refresher training is provided and candidate is assessed again, if pass
- Candidate asked to leave
- If process trainer and training lab are available
- Training bench

**Value Enabling Steps:**

- Pre process training of 2 weeks
- Candidate clears pre process training
- Candidate handed over to process training
4.4.2. The New Process Map

After eliminating the Non value added activities and to Optimize the process the new process map is designed for the study which is presented here in

HR PI Human resource personal interview round

SEA Spoken English Assessment test.

4.5. LEAN TENANTS USED

The existing process is thoroughly modified through the lean methodology as described in the preceding sections which lead to the new process map which is clear of NVA's. It is at this juncture the author applies the suitable yet powerful lean
tenants to the modified methodology to achieve the maximum gains during the conduct of training programs with a hope that this will help immensely in optimizing the anticipated response for the organization, while minimizing the wastages.

### Lean Tenets Envisaged

- Waste of Overproduction Elimination
- Waste of Transportation
- Waste of Motion
- Waste of Inventory
- Waste of Waiting
- Waste of Over-processing
- Waste of Defects
- Waste of Unused employee intellect
- Go See Yourself
- Work Load Leveling
- Visual Control
- Automation
- 5S
- Pull
- Single Piece Flow

### Procedures/Tools Envisaged

- Value Stream Mapping
- Muda
- Standardization
- Andon

### 4.5.1. MUDA

What problem MUDA addressed?
MUDA directly addresses all defects / leakages in end to end transaction. By controlling these leakage vents we are able to increase the efficiency of the entire function.

**How was MUDA adapted?**

The value destroyers in training are throughput, attrition and bench. This project in effect eliminates all 3 defects besides reducing the cost for IT MNC.

**How MUDA helped?**

1. Completely eliminating Pre process Training Bench
2. Decreasing the impact of Pre process Training Attrition
3. Decreasing the impact of Pre process Training Throughput

![Diagram showing defects and improvements](image)

Pre Process training bench, Pre Process Training attrition eliminated!!
Pre – Process Throughput improved to 100%
4.5.2. Standardization

What problem Standardization address?

• Input and Output to the training program is standardized through assessments which are devised specially for this project.

• Capsule training modules are designed by the Design and Development (DnD) team. These modules are in three phases to give them wider compatibility and greater flexibility.

How was Standardization adapted?

• Assessments are devised to calibrate and standardize the input as well as the output of the project.

• DnD team devised a 360 hour training module. The content is devised in 3 phases. Phase 1 is for Grammar; Phase 2 for spoken English and phase 3 is advanced English and Customer Service. All 3 phases are comprehensive and can be delivered by trainers.

How Standardization helped?

• Due to the assessments the input and output is accurate.

• The action plans can be devised for failure candidates.

• We have an off the shelf training module which can be implemented.

• Standardizing the input, standardizing the content, output is standardized.
4.5.3. ANDON- Visual Management

What problem Andon addressed?

- One of the key to this project is to get fitting candidates for the training program. To create awareness about this employability enhancement initiative amongst target audience.
- To create awareness amongst potential partners about Wipro's initiative.
- Helped to provide long term visibility of available talent pool to the hiring teams.

How was Andon adapted?

- Approval from the function head, project head, legal and branding team was taken on the advertisements, radio jingles, newspaper adverts, press releases, etc.
- Employee branding team actively involved in the advertisement designing and approvals.
- Mailers were sent out to Talent Acquisition & Training functions to spread awareness about the program.

How Andon helped?

- Through advertisements and press releases we increase awareness amongst potential talent pool about the employability enhancement initiative and opportunities that come with it.
- Since it was a pioneer, Andon helped in winning more potential partners.
• Helped in giving an advance visibility of available resources to sourcing and operations

<table>
<thead>
<tr>
<th>Location</th>
<th>Partner</th>
<th>Batch Size</th>
<th>Start Date</th>
<th>End Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vizag</td>
<td>NEXT</td>
<td>5</td>
<td>26-Jul</td>
<td>Oct</td>
</tr>
<tr>
<td>Gwalior</td>
<td>GICTS</td>
<td>15</td>
<td>14-Sep</td>
<td>Dec</td>
</tr>
<tr>
<td>Shirpur</td>
<td>NMIMS</td>
<td>17</td>
<td>23-Sep</td>
<td>Dec</td>
</tr>
<tr>
<td>Jalandhar</td>
<td>KMV</td>
<td>25</td>
<td>26-Oct</td>
<td>Feb</td>
</tr>
<tr>
<td>Vijayawada</td>
<td>ANU</td>
<td>26</td>
<td>26-Oct</td>
<td>Feb</td>
</tr>
</tbody>
</table>

The successful implementation of lean methodology perhaps applied for the first time in optimizing the Training process. The benefits of the project are summarized below.

- Reduction in cost per pre process trained FTE from INR 25000 to INR 12500.
- Training Attrition in pre process training is 0% effectively.
- Training bench in pre process training is 0 days.
- Training throughput in pre process training is 100% effectively.
4.6. FINANCIAL BENEFITS

The effectiveness of the application of the lean techniques resulted in huge financial gains to the organization and the financial gains are shown here under.

Candidates joined from Vizag – 5

Savings from Vizag – INR 50,000 (INR 10000*5)

Candidates joined from Gwalior – 9

Savings from Gwalior – INR 135,000 (INR 15000*5)

Total Savings so far – INR 185,000

Candidates being trained at Academy locations – 64

Expected savings in Jan/Feb – INR 960,000 (INR 15000*64)

Candidates being trained at Agency location – 6

Expected savings in Jan/Feb – INR 60,000 (INR 10000*6)

Total Expected Savings in Jan/Feb – INR 1,020,000

Candidates expected to join through Academy in next 6 months – 400

Expected Savings in next 6 months – INR 5,600,000 (INR 14000*400)