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Corporate Training: Using New Technologies to Produce Results

Nancy Levenburg
Grand Valley State University

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CONCLUSIONS AND FUTURE DIRECTIONS

In the present era of globalization, sitting in the negotiation table with suppliers from other nations and cultures is becoming almost routine for many purchasing professionals. In response to this trend, purchasing professionals must modify their negotiation strategies to include global and macro considerations, otherwise, they may suffer from unexpected barriers stemming up from differences in culture, language, business customs, and legal and ethical considerations.

The purpose of this study was to examine the international purchasing practices of west Michigan managers. To this end, American buyers were surveyed about their trading relationships with overseas suppliers. Significant groups of factors were identified for each set of questions.

The reader is warned against too liberal an interpretation of these findings because there are limitations to the study based on the profile of the sample. The sample of managers used here represents a somewhat limited range of purchasing professionals, given the range and scope of their purchasing responsibility, and the type of firms they represent. Therefore, it would be useful to expand this research to reflect a broader range of supply and end markets. Also, a replication of this study should prove helpful in reexamining the validity of its findings. Further empirical studies using larger sample sizes and greater geographical diversity may be helpful in validating specific results of this study. Finally, a different instrument with an adequate number of measures should be used to measure the variables under investigation. More precise operational measures, rather than using interval scales for each of the factors, would improve the results of the study.

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Corporate Training: Using New Technologies to Produce Results

Nancy Levenburg
Marketing Department

"Learning occurs in the mind, independent of time and place." Plato

INTRODUCTION

A recent article in USA Today concluded that U.S. companies waste billions of dollars annually on corporate training programs that don't work. Training problems arise because: (1) employees aren't motivated; (2) programs are poorly designed; and (3) trainers lack experience, "frequently designing unimaginative or dull programs that employees find deter learning" (Armour, 1998). Similar criticisms that traditionally-delivered training programs fail to deliver the desired results have been echoed by others (Dugan, 1998; Ouellette, 1998; Schank, 1998). According to Schank (1998) this is based in part on the fact that "they rely on outdated training methodologies that do little more than convey information; they barely tap the potential of new learning technology."

The prevailing paradigm, as described in Armour's article, is that most on-the-job learning happens "outside" the organization... at week-long retreats, wilderness adventures, in hotels or other training facilitation centers, and so on. Although there can be significant "rewards" for off-site learning (e.g., travel to exotic places), training programs that require employees to gather at a centralized location to partake in the training experience remain predominant. Most often, these training experiences are provided during normal business hours (8:00 a.m. to 5:00 p.m.) to accommodate office workers' and trainers' schedules. Rarely are training experiences offered at a time and place that is truly "convenient" for learning.

NEW LEARNING TECHNOLOGIES AND CORPORATE TRAINING

In the new paradigm, the location and timing of the instruction become important considerations in designing training experiences. New telecommunications technologies have been introduced in recent years and interest in using them for education and training purposes is exploding (Black, 1998; Dugan, 1998; Lammers, 1998; Mello, Jr., 1999; Oullette, 1998; Schank, 1998). As one example, UOL Publishing, a provider of class-

training for business, experienced a 1,000 percent growth in its number of online learners between 1997 (8,000 students) and 1998 (80,000 students) and an equally impressive growth in revenues (20 percent per quarter) during the same time period (Mello, Jr., 1999). Further evidence of the growth in popularity of distance learning courses is provided by the market research firm IDC in its "Online Distance Learning in Higher Education, 1998-2002" report. According to it, an estimated 2.23 million students will be enrolled in distance learning classes by 2002, attributed largely to the growth of the Internet ("Long Term Opportunities in Distance Learning," 1999). Finally, International Data Corp. (IDC) reported that the Internet-based training market "ballooned between 1996 and 1997 from $2 million to $91 million" and projects it will increase to $1.04 billion by 2000 (Dugan, 1998).

Distance learning technologies provide access to training and education without the restrictions imposed by locational and temporal constraints. High-tech technologies such as videoconferencing, satellite, computers and modems (Internet/intranet), and CD-ROM/DVD as well as "low-tech" technologies (e.g., audioconferencing and videotapes) enable training programs to take place anytime, anywhere. This is important, given that most training programs are targeted to adults who are thirty-five years old (or older), married (and/or with children), and working. Leading jam-packed lives, they appreciate the ability to access learning when and where they desire. Consequently, it should be no surprise that the most "convenient" time they have for learning is 9:00 p.m.-after the laundry is folded, dishes have been washed and children are in bed.

This ability to time-shift learning, providing instruction when and where learners seek it, should not be underestimated. In fact, if you ask online learners what they most appreciate about these new educational technologies, you will find that in many cases their answer is the ability to time-shift. Few training providers, however, offer programs that begin at 9:00 p.m. Yet for the adult market "niche" it is frequently the most convenient time to learn. As a result, the ability to time-shift training becomes as important-if not more so-than the ability to deliver training in multiple locations.

INTERNATIONAL OPERATIONS AND CORPORATE TRAINING

This time-shifting ability becomes increasingly important when one considers the growing numbers of west Michigan companies engaged in international operations. According to the Grand Rapids Metropolitan Data Book 1998, published by Seidman School of Business, total exports from the region have increased "by a healthy 63 percent" since 1991 ("International Issues," 1998). Of these, exports to Canada represent 38 percent and exports to Asia represent 15 percent of total regional exports. For these companies and others, time-based competition can be very important; "... companies realize the need to answer questions quickly in order to stay competitive" (Auerbach, 1999). Consequently, selling products overseas requires communicating with salespeople and others who may be in very different time zones; these communications can be facilitated by using new technologies.

Related to this, a research study conducted among 195 west Michigan firms in 1998 found much greater and more sophisticated use of the Internet among firms with plans to export (Dandridge & Levenburg, 1998). This is probably not a surprise given that the Internet is frequently viewed as an extension of advertising-a promotional tool for the marketer. But is it also being used as a way to accomplish operational strategies and train employees? Opportunities exist within this domain as well as marketing's, and as this study demonstrated, it appears evident that those west Michigan firms that are growth-minded are already tuning in to the Internet.

For other companies involved more extensive international operations (i.e., licensing, contract manufacturing, joint venturing, or operating international subsidiary[ies]), the need to maintain communications across time zones takes on added importance. According to Paul Litton of the U.S. Department of Commerce, nearly 100 west Michigan companies operate international subsidiaries and are engaged in formal and permanent relationships with nationals in foreign countries. For firms such as these (e.g., Steelcase, Amway, Corp., Herman Miller, Kellogg, and Whirlpool), accomplishing such diverse "information transfer" tasks as conducting focus groups to concept-test new products, concurrent engineering, conducting computerized sales meetings and other corporate gatherings, and maintaining contact with past, current or prospective customers can be facilitated through new technologies.

In discussions with college/university faculty members, administrators, and corporate trainers throughout western Michigan, some are beginning to realize that learning can take place without having both the trainer and trainees in the same place at the same time. This is a major reason why Michigan companies such as Ford Motor Co. and Amway, Corp. have installed interactive television classrooms and the Department of Commerce is developing a "Commercial Services Institute" to deliver training via the Web to its personnel who are scattered throughout the world. On an international level, IBM uses computer-based training to improve its sales force's ability to sell consulting and services (Schank, 1998). Other companies ranging from Productivity Point to Herman Miller are beginning to develop integrative, multimedia approaches to deliver training. For many, by bundling multiple media, "it makes it more a learning experience and not just a [one-time] event" (Von Hoffman, 1998). It is also more convenient for learners.

Other advantages of using distance learning technologies for corporate training include the fact that these systems "lower costs per trainee, due to lower travel expenses and less work time lost, and offer self-paced instruction to accommodate individual needs and consistent and replicable content delivery" (Schank, 1998). Subject matter experts (or "SMEs," to use Ford Motor Co.'s terminology) can be employed to serve as instructors/trainers, delivering new learning on a "just-in-time" basis. Additionally, tax credits may also be available; Representative Jim Moran,

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Democrat from Virginia, recently introduced a bill in Congress to allow employers a tax credit for high-technology job training expenses of up to $6,000 per employee ("Tax Credits for High-Tech Training," 1999).

NEW DIRECTIONS IN MICHIGAN

Within Michigan, several initiatives are also underway to provide user-focused education and training to enhance the skills of the Michigan workforce. Many of these initiatives are using various types of educational technologies and their corresponding software to provide "virtual" (or distance learning) education and training programs that can be accessed by employees (or prospective ones!) on an anytime/anywhere basis. These initiatives include the Michigan Virtual University (MVU) and the Michigan Community College Virtual Learning Collaborative (MCCVLC). Under these projects, the skill development needs of the Michigan workforce are first being identified and, based on those identified needs, training courses, programs, certificates and degrees will be offered by educational providers. The identified providers include Michigan's community colleges, universities, vocational education programs and private sector training and development entities. More information is available at: http://www.mivu.org or http://www.mccvlc.org/.

SUMMARY

In summary, the emerging models call for implementation of distance learning or "virtual" learning strategies into corporate training experiences, such as the use of online/Internet computer technologies, interactive television or videoconferencing technologies, videotapes, CD-ROMs, digital video disks, telecourses, printed materials, and audioconferencing. In fact, according to one corporate trainer the next evolution in training will be the merger of computer-based, Web-based, and instructor-led training into one hybrid, or "blended technology" model (Von Hoffman, 1998), revolutionizing the way companies teach job skills.

These "technology toolkits" enable workers to access instruction at times and locations that are convenient for them, resulting in both a customer-focused and learner-centered approach to training.

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