

MANAGEMENT TRAINING EVALUATION CRITERIA IN LATVIA: RESULTS FROM INTERVIEWS IN SERVICE SECTOR ENTERPRISES

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-Abstract-

Authors analyzed a lot of theoretic training evaluation models which are not used in practice. The purpose of the study is to find out how T&D specialists understand management training evaluation, what evaluation criteria and evaluation methods used in the service sector enterprises in Latvia.

Essential management training evaluation criteria are defined: applicability of the acquired knowledge, introduction of the obtained competences to work and changes in the work results after training. The main managers training evaluation problems are detected: lack of trainee motivation, limited time, low quality of the training service, discrepancy of price and quality, lack of top management support, difficulties to define training goals and outcomes. Experts admit that the complicatedness of the theoretical training evaluation models and they doubt the usefulness of evaluation by levels. Practice in the service sector in Latvia reveals that summative evaluation is rarely used, training evaluation is situational, various and flexible regarding the type and content of training.

Results from in-depth interviews provide the basis for a broader study on management training evaluation criteria that will be applied to developing a new training evaluation approach for evaluation improvement in other countries.

Key Words: management training, training evaluation, evaluation criteria, service sector

JEL Classification: M530 Personnel Economics: Training; L800 Industry Studies: Services: General

1. INTRODUCTION

1.1. Problems in training evaluation

Studying the literature on training evaluation (Siti, & Shamsuddin,2011: 9; Powell, &Yalcin,2010:15; O'Connor, & et. al.,2008:16), the authors concluded that training evaluation is critical for the enterprise as it allows proving the need to invest in human capital. The history of training evaluation dates back to 1942 when Taylor introduced training evaluation in the training system. Today 90% of the authors refer to D. Kirkpatrick's training evaluation 4-level model created in 1959 and many derivations, supplements and elaborations of this model which can be characterised by linearism, structure and consistency in training evaluation.

However, practice shows that in enterprises training is mainly evaluated only by measuring the trainee Reaction (1st Level in Kirkpatrick's model). Data from researches approve that only 2-9% of enterprises which evaluate training perform it till the highest level, determining the ROI. Such a training evaluation tendency is similar in all Europe: on average seven out of ten enterprises evaluate only certain training aspects and on average only in two out of ten enterprises the application of training results to work is evaluated (Pineda,2010:21).

In contrast to the huge range of information about how to evaluate training, the answers to why evaluation does not happen according to the theoretical models are rather simplified and lack detailed justification. Since the seventies of the 20th century there have been heated discussions among scientists and training and development practitioners about the application of traditional training evaluation models to HR practice. Scientists indicate to the incompetence of T&D specialists and reprimand company owners in unwillingness to allocate additional investment to the evaluation of the implemented training. At the same time practitioners speak about the complicatedness, time-consumption and expenses of the training evaluation models.

Only in the publications of the three years scientists also discuss that the training content and goals have changed in enterprises along the time. Training evaluation barriers incurred in training evaluation based on linear, consecutive evaluation models are analysed (Shot,2009:4). At the beginning of the 21st century problems in training evaluation are more frequently analysed in relation with the development tendencies of post-industrial economics. Modern society and the economic infrastructure differ very much from what they were when Kirkpatrick developed his model. New technology and social emancipation assign a significant role to the individual if compared with the 60-ies of the previous

century. Training evaluation in Kirkpatrick's 4-level model requires certain stability and much time. However, such factors as *much time* and *stability* are not a "luxury" that is characteristic nowadays. Traditional approach in training evaluation does not correspond to the needs of the modern functioning enterprise. It is impossible to use linear and separable training evaluation methods and approaches in a dynamic and changing environment. The reason for not evaluating training, it is the fact that the entire training evaluation model is outdated and not suitable to the needs of the 21st organisation (Giangreco, Carugati, Sebastiano, 2010:16).

HR practitioners need new qualitative models or tools for training evaluation that would correspond to the processes taking place in modern enterprises. The new approach can be obtained by researching and summarising training evaluation practice in enterprises, identifying training evaluation criteria and topical, suitable for the organisation and convenient training evaluation methods. In the present study the authors analyse the practice of **management** training evaluation by interviewing 30 HR and T&D specialists of **service sector** enterprises.

2. EXPERT INTERVIEWS

2.1. Research methodology

The selection criteria for the enterprises represented in the study was the basic operation of the enterprise in the service sector, based on NACE classifier. The most represented services were financial and insurance (9) and information and communication service (7) enterprises. Education and retail sector is represented by 3 enterprises in each industry. Other industries are represented by 1-2 enterprises. The sample comprises 17 small and medium and 13 large enterprises.

HR and R&D specialists participated in the interviews: 23 personnel managers, 4 personnel specialists and 7 representatives of other occupations related with providing training participated in the interviews. Some experts had also invited their colleagues, thus 34 expert opinions were obtained through 30 interviews. 31 of the respondents were females, 3 – males.

21 interview questions were designed based on the conclusions of training evaluation theories and applied research.

2.1. Results

The information obtained during the interviews offers a wider insight into training aspects in a post-industrial enterprise, but in the results section the authors analyse information as required by the objective of this particular article.

Analysing the **opinions of training experts about training evaluation**, 21 informants indicate that training evaluation is necessary and through it, it is clarified whether: the training goal and outcome has been attained, it is useful to continue the training course and further cooperate with the particular provider of the training service. Experts emphasise that to ensure the linkage between the training and work outcomes has a significant role what can be observed in long-term because “not always it is possible to know how to use it right after all training but it is understood and used at work after some time”. 1/3 of experts consider that “such a linkage should be compulsory, otherwise training has no sense”. Experts consider training an investment in the employee, indicating that “training is not entertainment” but a means for the employee to become more effective and useful for the enterprise adding value also for themselves. For managers, training is a part of the motivation system. 4 experts consider that there should be a linkage between training and work outcomes but they also indicate that it is difficult to implement it. A half of experts consider that the linkage between training and work outcomes is just partial.

Three main categories of opinions can be distinguished in experts’ explanation how they understand the notion “training evaluation”: 1) 5 experts explain training evaluation as evaluation of the training process; 2) 11 experts explain training evaluation as evaluation of training results; 3) 10 experts explain training evaluation as evaluation of both the training process and training results.

Experts mainly **evaluate training according to the following criteria**: if there are changes as a result of training: if the work outcomes or trainee behaviour change, if the knowledge and skills obtained in training are applied to practice, as well as experts find trainees’ emotional attitude (liked/didn’t like) significant.

12 informants mentioned ***changes in the work outcomes***, i.e. if the training goal has been attained, if training has changed the work outcomes, organisation, and quality. 12 informants are interested in ***the application of the obtained knowledge***. Experts approve that they are interested in the evaluation and vision of the trainees on how to implement the training results in the work environment (4 informants), in the evaluation of the direct supervisor after training. Experts are more interested in the application of the obtained knowledge to everyday work.

As one of the experts indicates, “Training should be applicable to practice, not only theoretical”.

1/3rd of informants indicated ***changes in behaviour and attitude***. As one of the experts indicates, trainees “are even excused slow pace, but there should be changes observed”. Some experts emphasise that they are interested if the managers themselves have changes as a result of training and thus the communication between structural units has changed; if and how the managers’ attitude to work and employees has changed.

A significant aspect of interests is the ***emotional aspect***, i.e. if the trainees liked training. Five of informants emphasise that they are interested if training is a source of inspiration. For example, “the trainee gets an “energy charge” and with this energy there will also be a result”. Three experts emphasise the emotionally rational aspect: how the trainee evaluates the training process, content, and the training provider – if they liked them, what they gained.

For four informants a significant aspect was ***suitability of the training provider to the enterprise situation***. It is important for the experts to understand if the choice of the training provider has been appropriate, if the invested money pays back and if the further cooperation with the training provider should be continued in the future.

During the interviews the informants named various **methods and tools used in training evaluation**. ***A trainee survey*** is most frequently used (21 enterprise). Survey is a questionnaire that is filled in by trainees’ right after training. One of the experts called such a survey a “happiness sheet”, another – an evaluation sheet. Another expert indicated that such a questionnaire has been introduced by him that does not ask technical questions about the training process but requires trainees to write precisely what has been gained and what the trainee will do differently from today. Another expert mentions that when evaluating the results of the survey she follows the principle: “an optimal evaluation on a 5 point grading scale is 4.5. If it is lower, then she is looking for a problem. In all enterprises the survey is carried out after the training course, except for 1 enterprise where the survey is carried out at the end of the training year because then there is already a formed opinion about the real application of the knowledge and skills to practice. One of the experts indicates that she does not see any sense in such a survey because training is organised by the internal training school of the mother organisation and thus “none of the trainees criticises”.

Evaluation discussions as a method of training evaluation are used in 15 enterprises and during these discussions it is evaluated what the progress is like, which goals have been attained, competences are evaluated. Two types of discussions can be distinguished as mentioned during the interviews: 1) annual or half-a-year performance appraisal interviews (12 experts); 2) evaluation discussions after the respective training (3 experts).

Experts in 12 enterprises mention **talks with trainees** as a method. Talks can be divided: 1) training providers' talks with trainees, in which "how it was, how you feel, what was gained" is discussed (2 experts). One of the experts indicates that a talk is more useful than a survey because it allows understanding better what exactly the problem is; 2) HR specialists talks with the trainees (8 experts); 3) talks within the trainee group – all participants of the respective training (especially in case of corporate training) agree on what training is still necessary (2 experts). One of the experts indicated that in the future it is necessary to introduce talks with trainees about the manager who has attended training but "the problem is the seclusion of employees".

In five enterprises experts mention the **evaluation performed by the direct manager** as evaluation method. Manager evaluates the trainees' work outcomes, their improvement during conversations or through observations in practice, thus concluding whether the training goal has been attained.

The trainee's designed plan about the introduction of training results in practice is mentioned in 3 enterprises as a training evaluation tool. In one of the enterprises it is a plan what the trainee plans to do after training; this plan is submitted to the direct supervisor who then can evaluate if the trainee has implemented it. In another enterprise it is a plan that is developed during the training process and whose execution is discussed in the further training classes.

Client response as a method of training evaluation is mentioned by experts in 3 enterprises. In these enterprises the satisfaction of external and internal clients is measured and the employer's image and suggestions for improvement were given.

Research as a training evaluation method is mentioned in 5 enterprises. Employee satisfaction research is performed as method to evaluate "things" that "are not a visible or tangible result".

Professional's evaluation as a training evaluation method is mentioned by experts in 5 enterprises, indicating that it is "professional's evaluation from outside". Two of the experts consider "secret clients" as professionals. Their evaluation is

analysed and then it is concluded if the evaluated trainee has introduced to work the knowledge and skills obtained during training.

Test as a training evaluation method is used in 5 enterprises. Tests are introduced to check knowledge – “how well trainees have acquired and understood what was told”. One of the experts indicates that a test is used in training new managers. Another expert mentions that E-Systems used to for testing of obtained knowledge.

In 17 enterprises experts indicate that a significant training evaluation method is **transfer of the obtained knowledge to practice**, but it has to be admitted that in total a tendency that experts describe this method in rather general terms is observed – there should be really visible and measurable changes in behaviour, work results, business results, but relatively few experts mention specific criteria.

Observation of practical performance of the trainees on everyday basis (in 6 enterprises) is also mentioned in rather general terms. One of the experts mentions that “changes could be observed significantly, that after training approach to work changed crucially”. Another expert indicates that the criterion for time management training evaluation is whether the trainee continues to work unplanned overtime after training or is able to execute tasks during the 8 hours.

1/3rd of experts mentioned **business results** as a training evaluation method. The following are mentioned as business results: financial results, e.g. “after training, understood why a sales standard is necessary, whose introduction affected sales results respectively”, new projects, obtaining new clients, manager and his team attains the goal, manufacturing a new product, the enterprise position in the most desirable employer top.

The **difficulties in implementing training**, mentioned by experts, can be divided into two groups. Regarding the difficulties **related with planning and implementing training** in the enterprise, 12 experts talked about the **lack of manager’s training motivation**, indicating that “managers are bored”, that “experience and competence is so big” that “they consider themselves self-sufficient”, “do not consider it necessary to learn”. 11 experts indicated that difficulties are cause by **lack of time**; managers continue to solve work issues during training and one “must think how to attract them to training”.

Some experts mentioned difficulties as **defining the training goals**. Whereas 5 informants indicated that difficulties in implementing training are caused by “different levels”, different interests of the trainees. Therefore, an **uneven trainee**

group is formed, which is difficult to work with because “it will be interesting and necessary for one participant but the other will have already heard this information, as well as the knowledge level and technological abilities vary”.

In some cases experts indicate that in implementing training difficulties are caused by: the “transfer of training results to real life”, i.e. **transfer of training results to the work environment**, that “the management does not understand”, that **training is not a universal solution**, it is “only a tool”, i.e. that training is only a means to solve problems but training cannot ensure complete resolution of problems. One of the experts admitted that difficulties are created by finding **suitable facilities** in the enterprise for training not to be organised outside the enterprise, but at the same time so that “everyone participated in training and would not half at work”.

Regarding **difficulties related to the choice of training provider**, in 3 enterprises experts consider that the problem is the **low quality** of training providers. The discrepancy of the training price (i.e. too high price) was emphasised by one of the experts. Whereas some experts spoke about the problem of training methodology indicating that training presents the **disproportion of theory and practice**, e.g. “more trainers-practitioners, not theoreticians are necessary”. Another expert emphasised that if the trainer is one of the company managers, he/she “sometimes lacks the knowledge of methods how to teach better”.

Difficulties in implementing training also are caused by the fact that the market **does not offer appropriate themes**, e.g. about social media and specific enterprise operation related issues. Some experts also mention such training implementation difficulties as **unknown trainer of the course** and thus also difficulties to forecast how trainees will perceive this trainer; **discrepancy of training content to the local market**, e.g. “sometimes it happens that training has been good and exciting but training results cannot be introduced to the local markets”. Last two difficulties mentioned by the experts from international enterprises.

Experts also mention too **wide offer in the training service market** as training implementation difficulties because, as one of the experts considers, it causes difficulties to evaluate training providers, “it requires a lot of effort and time”. One of the experts indicates that difficulties are caused by **training in a foreign language** because the trainees “cannot perceive so much than if the training were in the native language”; in training in the native language participants would more actively get involved in the training process.

3. CONCLUSION

The training experts in the service sector enterprises in Latvia admit management training and its evaluation as an important factor of company sustainable development. The need for training evaluation in general is admitted by the majority of the informants, mainly understanding it as evaluation of the results. Less than half of the informants consider that training results should be directly linked with work outcomes, half of the informants consider that such a linkage should be partial.

In training evaluation experts are more frequently interested in the application of the knowledge, *introduction of the competences obtained in training to work and changes* in work outcomes after training.

The research reveals that in the evaluation mainly methods that represent reflective approach to training evaluation are used: employee involvement in the evaluation of managers' training results; manager's self-reflection on the training process and the transfer of the training results to the work environment; formal and informal talks with the trainees; implementation of training results to practice to implement plans; employee observation on everyday basis; experts' evaluation; results of different employee and client research.

The analysis of the interviews reveals two new training evaluation aspects – in defining the training needs (at the initial stage of evaluation) *results of performance appraisal interviews* are frequently used, as well as *manager's self-initiative* is of big importance.

The authors observe a causation – if when evaluating the training process the trainee's opinion is more important, then when evaluating training results, the evaluation of the direct manager or other employees is more important long-term after training.

Experts indicate to the following *difficulties of training implementation*: trainees' lack of motivation, limited time, low quality of the training, discrepancy of the price and the quality, lack of offer of the necessary training, difficulties to choose the appropriate training, lack of top management support, difficulties to define the training goal and results, thus also the goal of training evaluation.

In more than half of enterprises the training result is discussed with the training provider but only some enterprises evaluate the impact of training on the work environment after a longer period of time (6 months). 2/3 of the experts indicate

that in their enterprise the training result and developed competences are anticipated but they are not always precisely defined.

In total, it can be concluded that in the enterprises represented in the interviews summative evaluation when the direct linkage between training and company results is measured is used little. Practice in the service sector enterprises in Latvia reveals the specifics of training evaluation: it is situational, various, flexible regarding the type and content of training. In none of the enterprises represented in the interviews all levels of all traditional hierarchical and linear training evaluation models are used: according to the particular situation in the enterprise, some elements of evaluation models are used. Most frequently reaction and transfer of the results to the work environment evaluation, which is related with observation of changes in the behaviour, are used; in certain cases business results of the enterprise or the department or changes in the individual competences are used as an indicator of training results.

Experts admit the complicatedness of the theoretical training evaluation models and doubt the usefulness of evaluation by levels, as well as they admit the obstacle of training evaluation defined in theory: difficulties to define relation between training and its result. Experts indicate to the potential solution to the problem – the system for the evaluation of work outcomes in enterprises is an appropriate training evaluation tool. At the same time, they indicate to the lack of a simple, fast, convenient for use and understandable training evaluation tool.

The results obtained in the analysis of the content of the interviews will be used to develop questionnaires to perform a survey and obtain quantitative information about the main tendencies in management training evaluation in the service sector enterprises in Latvia.

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