

ANALYZE THE EFFECTIVENESS OF EMPLOYEE TRAINING PROGRAMS OF VODAFONE

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ABSTRACT

Employees are the strategic asset of any organization; this talent has to be managed and preserved. This project presents a descriptive study, which mainly investigates on the functioning and role of training program . a case study of VODAFONE, a leading telecommunication company of UK, has been presented in this research. This study also investigate on the significance of training and development in managing of employees, different types of training methods in use, and its effects on retention of employees and about benefits which company gains as well. The study mainly helps in finding about the benefits of training and development in retention of employees as well as about the retention of companies information as well. This study emphasizes the role of training and development plays a very crucial role in retaining the capable employees, which are the precious assets treasured by all organizations.

Keywords: Retention, T&D (Training and Development), Vodafone

INTRODUCTION

Present business world and environment is quite different from conventional business environment and operating terms. Today consumer is the king and he does not have the time to wait and patience with respect to organizational action plan towards change. In today's time organizations have to resort to proactive approach to cater to the augmenting needs of their potential customers. Now loyalty level of customers is not that high as it was during some years back. The switching cost for almost all category of product and service offerings have become negligible. If a customer has the notion of has a feeling that he/she is not being served and treated in a proper manner. In case of improper treatment, customer immediately switches to another organization offering similar basket of offerings.

The above case is true in almost all cases as the competition level has intensified and there are numerous organizations in the market fighting for market share in the same segment. Thereby if any organization wishes to sustain in the competitive market, then it has to have some kind of competitive edge over competitors. (Heathfield, S., 2010)

The organization in consideration in this particular research study is Vodafone which is a multinational organization in the telecommunications sector across the globe. It is an organization which is highly oriented towards customer service. In this case one more

notable fact is that it is not the customer service which is high or low but it is the customer delight which is on a very high level. The intended clients of the organization are to be served in a way which delights them and in this way if customers are kept satisfied, they will intend to stay with the organization and losses owing to switching can be mitigated.

The entire research report tries to focus on analyzing the effectiveness of various training programs which are put in place in Vodafone. The next part of the research study will focus on prime objectives and other research questions with respect to the research topic. At the end of the entire research study, there will be description with respect to research findings and derived conclusions as well.

PRINCIPAL OBJECTIVES OF THE RESEARCH STUDY

- To analyze critically the effect of training and development programs with respect to retention of associates
- To assess the relevant literature available with respect to research topic
- To examine the forces that affect the research topic via informal meetings and surveys that will be carried out at various hierarchical levels
- Asses the findings which are collected via primary research undertaken
- To assess the reasons that affect taste and preferences of the associates
- Be in a position to put forth viable and effective suggestions based on the research undertaken

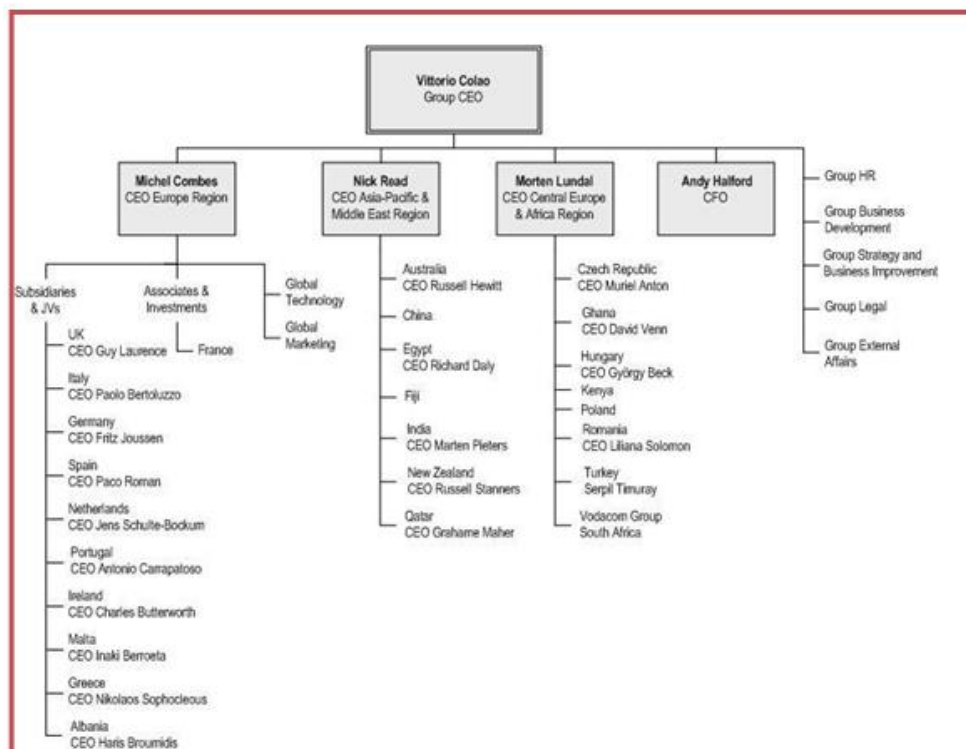
LITERATURE REVIEW

In this particular part of the research study, detailed analysis is done with respect to multiple perspectives of various authors, writers, scholars and other researchers in relation to the activity of instructing the associates in the program. The entire learning and development program is meant for getting superior performance from the workforce and improve performance on other fronts as well in the organization. In addition to the above objective, there are secondary objectives of undertaking the research such as to explore the reason as to why organizations spend so much amount in learning and development programs and other areas for growth of associates. In the process, the research study will also try to explore the mechanism for preparing the business and planning in a manner so that we can derive extraordinary superior results from the activity undertaken. The literature review would consist of the thoughts and opinions of various researchers related to the field of training and development in the workforce and employee retention in order to drive a better delivery of performance. At the same time the performance of the organization will also be taken care of. Apart from that the need of spending millions in training and development of the employees is also given an answer and why retention is important even for the colossal organizations. Subsequently how that ensures the good governance of any business or an organization with providing services efficiently. The relevance of all such activities is hereby discussed in detail. (Lockwood, 2006, p.2)

Employee retention's Significance

Employee retaining is a difficult and critical task for an organization and to retain and control the talented and skilled employees. Human resource is the important functionary of any business activity as the people are the key for carrying out the business activities. The management has to understand the criticality of the updating of the methods and procedures in order to entice the workers and help them better understand their functions and are able to use their potential to the maximum.

The following chart will explain the organizational hierarchy of the top management in Vodafone.



It is the mission of the company to enrich the lives of its customers by the unique power of the mobile communications. According to the Vodafone UK Chief Operating Officer, Quality is the foundation of their passion for their customers.

Vodafone UK has many values in place in the organization which pertain to each of the stakeholders in the organization. It is described as follows.

For The Customers, Vodafone UK firmly believes that in order to gain customer's trust, it is of utmost priority that they provide them with the best services and quality.

For the employees, they believe that it is highly essential for the company to be exponentially successful that the employees are kept happy.

For their performance standards, they believe that they should do the best in every aspect of their business, all the activities in the organization are completely action oriented and the high quality service delivery mindset is the driving factor behind all these activities.

For the society, Vodafone has in place specific corporate social responsibility practices and policies by which it can contribute to the betterment of the environment and the social fabric of the place where it operates to the maximum possible extent.

A brief time line of the company can be given as follows.

1982: Awarded the first mobile license in UK under the name of Racal telecomm

1985: First analogue mobile call in the UK.

1987: Launch of Vodapage, A paging service with a network covering about 805 of UK.

1988: IPO of the company and listing on the stock exchange.

1991: Demerger from Racal Electronics and formation of Vodafone, also quoted by the same name i.e. Vodafone in the stock exchange.

1993: Commencement of digital mobile communications in UK and beginning of international partnerships.

2000: Operations now under the newly formed Vodafone group PLC.

2002: Introduction of the Internet based service - Vodafone Live!

2004: Commercial launch of the 3G services in Europe.

2005-present: Further diversification and expansion to various markets like Germany, Japan, India, Italy, Spain, The Americas, African Countries and other nations.

Vodafone at times launches some initiatives and services known as strategic initiatives which are meant to improvise the services and add fuel to the growth. Some of such initiatives are briefly described below:

The launch of the Vodafone sure signal

The Vodafone Sure Signal service was launched in the year 2009 initially under the name of Vodafone Access Gateway. It was meant to provide an improvised 3G signal of greater strength for home and small offices. It came with a small device which has to be plugged into a home broadband line having a bandwidth of atleast 1Mbps. It was however, not a free service, the device had to be purchased by the customers and Vodafone followed a differential pricing strategy here. The customers having a subscription plan of GBP25 or more could purchase the device for GBP 50 onetime payment or GBP 5 per month for 12 months. While the customers having a subscription plan of GBP 25 or less had to pay GBP 120 for onetime payment or GBP 5 per month for 24 months.

Vodafone Partner Program

Launched in June 2009, Vodafone Partner Program is meant to completely overhaul the distribution and channel network of Vodafone. This program is designed to provide a centralized backbone kind of support for all the partners of Vodafone by which they can get privileged access to the business development process and the marketing strategy decision making process on a structured performance basis. The Vodafone partner program classifies its partners into 3 tiers based on the performance levels, the tiers are Platinum, Gold and Silver, with platinum being the highest level and silver the lowest. These partners are then

entitled to receive financial incentive based on their performance and also privileged access to the Vodafone sponsored extravaganzas like the Formula 1 races. They are also allowed to visit and use the Customer experience center at their headquarters which is located in Newbury.

RESEARCH METHODOLOGIES

This research is done using various research methodologies which are described as follows:

Primary Research: The tacit data was gathered and converted into explicit data by the means of questionnaires, surveys and personal interviews and utilized for the purpose of the research. The persons from the middle to top level managers of the company were approached for the collection of data by the means of closed ended questionnaires.

Secondary Research: Secondary sources of data which already were in their explicit forms were also utilized in this research, specific sources of secondary data were the company literature (like manuals, annual reports, internal circulations etc), news archives, various research papers, other publications etc.

RESEARCH DESIGN

This study takes into consideration two variables, i.e. 1. Employee retention (Dependent Variable) and 2. Training And Development (Independent Variable) and tries to understand and quantify the degree to which the independent variable affects the dependent variable. The method for data collection by the researcher as mentioned above was primarily the questionnaire method in which a well structured closed ended questionnaire was employed to gather the data from the middle to top management of the company capturing their views and opinions relevant to the research objectives. Apart from the questionnaire, the existing data in the form of secondary data was also collected, reviewed and utilized. After the gathering of data, specific problems and objectives were formulated and then appropriate hypothesis was formulated. All the decisions regarding the research were taken after considering the following logical sequencing. (AR Hevner, ST March, J Park, 2004)

1. The type and nature of the research
2. The objective of the research
3. The geographical scope of the research
4. The particulars of the data which the researcher could collect
5. Data Gathering methodology to be employed
6. Data Analysis Methodology and Reporting Format

Looking at the above given logical sequencing and the intricacies of the research structure, it is advised and wise to divide the research design into the following sub designs.

Sampling Design

Sampling design elaborates about the sampling technique and the methodologies used. The methodology used in this research is a convenience random sampling method, in which the people from the middle and top management of the company were approached as per the convenience of the researcher and the concerned person.

Following are the key points to be considered while designing a sampling design.

Sample Unit: It is used to determine the unit of the universe from which the sample would be taken.

Sample Size: Sample size refers to the no. of samples taken from the sample unit for the research purpose.

Sampling Technique: There can be various ways of sampling technique, however the choice of the technique will depend upon the population characteristics and the research objectives.

Statistical Design

A Statistical Design elaborates further as to how the data is gathered and analyzed statistically.

Operational Design

Operational design elaborates the methodologies employed in all the above mentioned processes..

DATA ANALYSIS AND FINDINGS

Vodafone Model

In today's competitive world it is highly imperative that the companies find the right talent, the right kind of people for right kind of jobs. Until and unless the organization is able to capture the right talent it is going to be extremely difficult to grow the business. The companies have now realized the immense value that the employees possess and are working towards the needs of them which would ultimately be helpful for the company's profit making. A greater attention is now paid towards the workforce requirements and their development.

FINDINGS OF PRIMARY RESEARCH- INTERVIEWS

Employee retention in Vodafone

It was pretty clear in the minds of the Vodafone people as in what the significance of retention of employees is. Human resources are the biggest asset to the organization and proper training is of utmost importance to them. Literature review gives the indication about the requirement of proper training to be imparted to the employees in an efficient manner which could help to retain the employees for achieving its targets.

After the analysis of questionnaire it was found that if training and development is given a proper consideration. The questionnaire actually gives importance to the training and development programme for the employees.

Relation of T&D with employee retention

Training and development considers the motivational factors in order to maintain the employees. Manager's job here becomes important as he has to motivate his employees to keep interested in the work, provide enough recreation opportunities and ye are able to extract the best possible work from his lower level employees. He must understand the

strengths and weaknesses of his workforce in order to give them challenges and maximize the output. Proper assignment of work is very essential.

Objectives of Vodafone's T&D

The questions relating to the awareness of vision and mission of the company among its employees provided the definition of level of service. These questions were asked to the employees and from their responses it was found that level of service was to be very clearly announced as the commitments of a company. Reliability on the other hand was also pretty important. Apart from that it was also important to make clear the speed and other performance indicators etc.

Training and development being a help to retention: Monetary benefits are not the only attraction for the employees in present times and development of the employees is also very important in order to make their growth as asset to the organization.

Strategic Model: In the model related to Customer Relationship Management, there are 4 constituents

Performance management system: performance management is a tool in which the performance of any employee can be measured quite thoroughly and it can be compared against the remaining employees.

Commitment of management: The managers at high levels must be able to understand and be properly engaged in taking up the work and the users in implementing the project.

Employee relations: The most important job of any HR manager is to place right people for the right job and everything else follows. Hence, recruitment is very crucial process. People who are highly motivated to work are selected and the rest are eliminated. Behavioral skills are tested in various tests and the personality of such a person is thoroughly assessed.

Effects of Exit of High Performing Individuals

As it is seen earlier also that retention of good employees is really very important and especially of talented, brilliant workforce is the prime concern of this competitive market. By retention a company achieves steadiness of employee workforce as well as steadiness in growth. By this process the quality is also improved and the employees get chances of promotion, rewards, etc.

Through training and development the workers get their work profile on their will and it is very important in order to increase the productivity and to the more loyal side of the company make them satisfied in increasing the output.

These were the basic questions which were asked in the interviews and apart from that a questionnaire was floated across and responses of which are analyzed in the following pages.

RESULTS OF THE QUESTIONNAIRE

1. What Is Most Important For You?

- A. Systematic Training and Career Development Program
- B. Relevancy of the Training to the Work

- C. Training Suiting the Capabilities of Candidate
- D. Ongoing Evaluation and Feedback after the Training
- E. Satisfaction from the Training

Results:

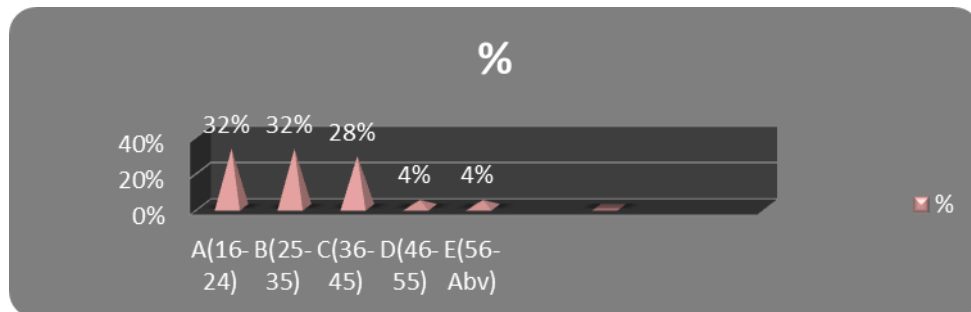
A = 9 B = 8 C = 5 D = 2 E = 1

2. What is important for your overall career development?

- A. Feeling of satisfaction with the career development in Vodafone.
- B. Satisfaction in career progression.
- C. Coherence of personal and organizational objectives.
- D. Regular promotions based on trainings and skill development.
- E. Commitment of the organization for employee training and development.

Results:

A = 6 B = 7 C = 6 D = 4 E = 2



Analysis based on the results of the above questions

Apart from the above mentioned questions, the questionnaire also contained a few demographic questions in order to capture the details of the age group and gender of the respondents. Based on the responses to those questions, it was observed that the largest no. of the respondents belonged to the age bracket of 26 – 35 years i.e. 40% of the total respondents. The least no. of respondents belonged to the age bracket of 56 and above years i.e. 7 % of the total no. of respondents and also 7% of the respondents were from the age bracket of 46 – 55 years. Apart from that, there were 25% of total respondents from the age bracket of 16 – 25, and 21% of the total respondents from the age bracket of 36 – 45 years.

The gender of about 72% of the total respondents was male and the rest 28% of the total respondents was females.

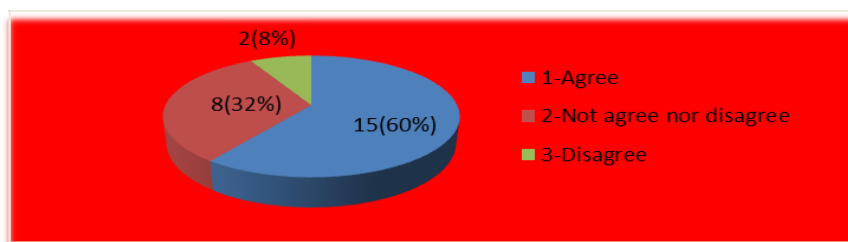
All this data can be shown as follows:

Age Group	% Of Total Respondents
16 – 25	25 %
26 – 35	40 %
36 – 45	21 %
46 – 55	7 %
56 and above	7 %
Gender	% Of Total Respondents
Male	72 %
Female	28 %

3. Does Vodafone gives importance to its employees and spends considerably in their career development?

The questionnaire contained this question too in order to capture the general feeling among the employees of Vodafone about the concern of the company for its employee and their career development. From the results of the received responses it was found that 60 % of the Vodafone Employees who responded to the questionnaire were agreeing to the view that Vodafone does gives importance to its employees and spends heavily on their career development, while just 8 % of the respondents did not agree to this point and 32 % of the respondents were not sure about their stand on the matter.

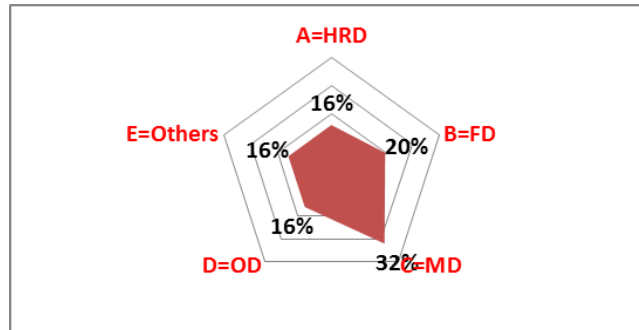
Response	% Of The Total Respondents
Agree	60 %
Disagree	8 %
Can't say	32 %



The departmental breakup of the respondents is as follows. About 20 % of the respondents were from the Human Resource Dept. , 16 % of the respondents belonged to the Operations Dept. , 32 % of the respondents from the Finance dept. , 20 % of the respondents from the marketing dept. and the rest 12 % from some other depts.

Department	% Of the total respondents
Human Resource	20 %
Operations	16 %
Finance	32 %
Marketing	20 %
Others	12 %

Thus, this survey essentially captures the general feeling of the employees across all the departments of Vodafone UK. By the responses of this diversified group, it can be concluded that Vodafone is an employee friendly organization and cares for its employees and works for their development.

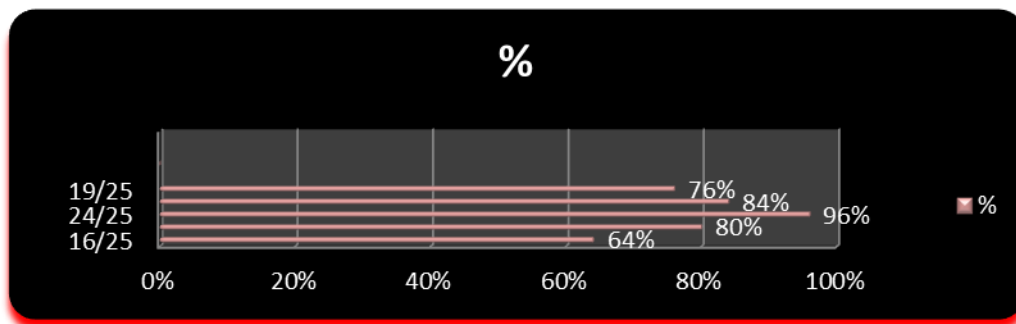


4. What all constitutes a total development of career? Mark all that you feel relevant.

- A. Technical or Job Related Training
- B. Constant Monitoring Of the Performance
- C. Interpersonal Skills
- D. Promotion Oriented Trainings
- E. Multi departmental Work Skills

Results

A = 96 % B = 84 % C = 64 % D = 84 % E = 76 %



5. All the training and development initiatives taken at Vodafone are Employee Centric?

- A = Yes B = Can't Say C = No

Results

A = 68 % B = 20 % C = 12 %

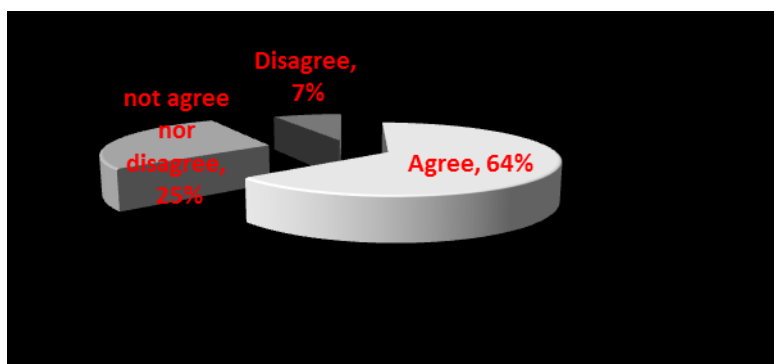
Options	Respondents	Percentage
1-Agree	16	64 %
2-Not agree, nor disagree	7	25 %
3-Disagree	2	8 %
Total	25	100 %

6. for what reasons will you switch to some other company?

- A. Lack of further growth
- B. Immense work load
- C. Brand reputation of the company
- D. Better Pay Package
- E. Physical Conveniences (like less time to travel, etc)

Results

A = 20 % B = 4 % C = 4 % D = 68 % E = 4 %



This shows that most people will switch company only if paid better and can see no further growth in Vodafone, hence it is essential for Vodafone to have constant appraisals, both monetary and career wise.

7. Training And Development Is An Effective Employee Retention Strategy.

- A . Agree B. Can't Say C. Disagree

Results

A = 64 % B = 24 % C = 12 %

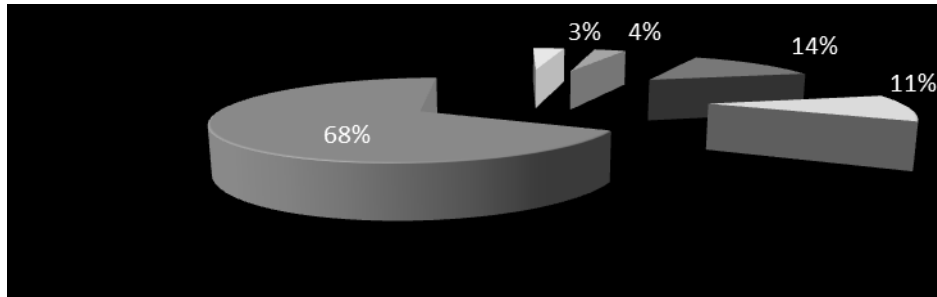
Thus, it is clearly evident that the training and development initiatives taken by Vodafone is perceived to be effective for employee retention by the employees of Vodafone.

8. Is your training and development and career growth at Vodafone satisfactory to you?

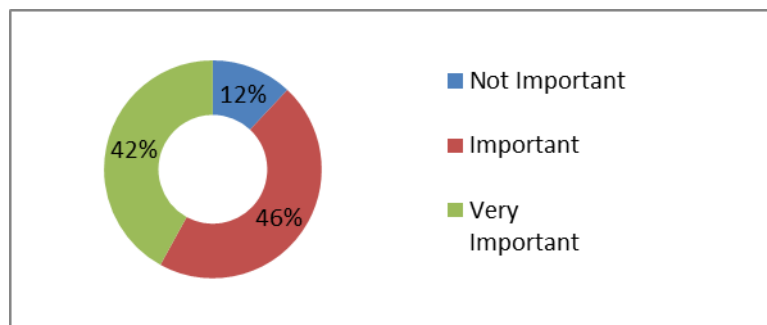
- A. Yes B. Can't Say C. No

Results

A = 72 % B = 20 % C = 8 %



Thus, overall a majority of the employees of Vodafone are satisfied with the Training and development and the career growth they are having at Vodafone.



Overall Analysis

After looking at the results of the questions contained in the questionnaire, we can safely say that Vodafone is a very employee friendly organization to work for. The training and development programs of Vodafone are perceived by the employees to be quite effective and useful. Also, the employees are well satisfied with their overall career development at Vodafone. Thus we can state that the employees are happy and satisfied with their being at Vodafone and will switch only if they get better pay and a better career growth opportunity. Thus, the employee retention is quite strong at Vodafone and a significant part of it is achieved by the training and development initiatives.

CONCLUSIONS

- 60% of employee thinks that Vodafone spends considerable time and effort for training and development of employees. The employees are the biggest asset of company and it looks towards the development.
- The career development constituents technical training, constant monitoring of performance, interpersonal skills, promotion oriented training, training of multi departments. These all factors are associated with the training and development part of the Vodafone.
- 68% employees believe that all the training and development programs are employee centric. They are designed to full fill the developmental need of employees. The

employees take the full advantage of these sessions in the company. If the productivity of employees get increased, it will eventually beneficial for the organizations success.

- The main reason behind leaving the organization is better pay package in other companies because other factors like growth in the Vodafone is good, workload is not too much on employees, brand of the company is very good. But if the employees get better pay in other company they will switch, 68% employee chose this option better pay package.
- According to the 64% of employee, the training and development provided at the Vodafone is very important factor for employee retention in the organization. If company gives best training and development to the employees they do not want to switch to the other companies because they get better opportunities to develop their skills I the company which will be helpful in their long term growth prospects.
- 72% employees are satisfied with the training and development part of the Vodafone because they hire best trainers to get its employees trained. The employee satisfaction is must, in case of retention techniques in the organization.
- After reading the complete analysis we can say that Vodafone is an employee centric organization, which gives great training and development sessions to the employees and works for the overall growth of employees.

RECOMMENDATIONS

- Recruitment criteria must be aligned with the goals of organization. The company must hire candidate according to the job specifications, the candidate is hired not just the sake of filling the vacancy.
- There must be clear communication with the new employee so he/she can understand the roles and responsibilities in the organization and will be well-versed with the organization culture. The job profile should be clearly defined to the employees.
- The induction is very important for the new employees for make him feel comfortable in the organization.
- Flexible working hours must be given to the employee so he does not have any burden on his mind about the job. The employee must love the job what he is doing.
- The environment is very good at Vodafone but still it must take care of developing the office environment as a employee friendly place so that he become comfortable in the organization.

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