Learning to walk in the customer's shoes

Texas Instruments: Learning to Walk in the s Shoes Do you think that TI took the right approach to achieving better satisfactionby training its executives first? Would TI have achieved quicker results by training its front-line employees prior to its executives?

Texas Instruments is develops analog, digital signal processing, RF and DLP® semiconductor technologies to produce hi-tech semiconductor products. Its customers are consumer and industrial electronics product manufacturers who expect to improve their own product's performance, power efficiency, precision, mobility and quality with the integration of TI technologies (TI, 2008). During the technology boom years of the 1990s, TI became a product- and technology-centric organization taking advantage of the demand of the times. However, when the technology bubble burst with the change in market demands, TI's technology-centric business had to drastically reengineer itself into a customer-centric one to be able to effectively compete for new business. This necessitated a re-orientation of the entire TI organization, which was effectively accomplished by BTS USA, a global supplier of computer-based simulations for learning.

Human resource development is involved in three main areas: individual, occupational, and organizational development. Development of the individual addresses skill and career development. Occupational and group development addresses the integration of cross-functional individuals through a team building program, or for informing and training employees about new products and services. Organizational development involves the introduction of a new culture or ways of operating, such as introduction of a customer care program or quality management which requires the involvement of all individuals or groups in the organization (Wilson, 2005, pp.

15-16). In order to effect the change from technology- to customer-centric, TI had to conduct training on all three areas. The approach it took of first training its executives is the right approach. Senior management must lead the way in organizational change by providing both the leadership and commitment of the necessary resources. Documented best practices show that senior management must make the organization's objectives as their personal objectives and must be able to measure their own achievements, they must fully understand the process that the organization has to go through, and they must provide necessary support, empowerment and authority down the line (Cooper & Edgett, 2003).

Had TI decided to train its front-line employees prior to its executives, the company would not have achieved quicker results. There would have been no impetus for the front-liners to effect change without the leadership and support of their managers. Managers set the employees' goals and performance measures. Employees may doubt the necessity for change if goals and measures continue to be technology- rather than customer-centric as what they have been trained for.

2. If you were an HR manager at TI, to what sources would you have looked to find information with which to calculate the program's ROI?

Theoretically speaking, a training program's ROI should be measured by calculating the cost of training such as trainers' cost, man hours spent in training, materials and other training-related costs then tracking the dollars and cents generated as a result of the investment. This is not easy because determination of cost components alone is debatable as well as isolation of the revenue gains or cost savings which are attributable to the training (Roberts, n. d.).

The HR manager at TI may have to look at other measurable information to determine whether or not returns or benefits from the investment in training are justifiable. According to Roberts (n. d.), there are five levels of training evaluation: reaction, learning, application, performance and ROI. Participant's reaction can be measured by a survey at the end of the training that will determine the value that participants put on the effectiveness of training. In the case of TI, executives and managers participating in the training may be asked to rate training effectiveness by the percentage improvement they believe they can achieve because of the training. Learning is usually measured through a participant's pre- and post-tests. Application or transfer of skills to job may be measured through the regular operations reports for various functions. For TI these can come from improvements in production time, delivery lead time, customer satisfaction, sales figures, customer complaint resolution time, and the like. Performance measures business impact. This can be determined through product improvements, customer service and higher profits.

TI's reason for embarking on a human resource development program was to effect organizational change to improve its bottom line which was being increasingly threatened by changes in market demand due to its current organizational culture. The investment in training consists of the cost of the program and the time spent by the personnel from their jobs. By measuring the effect on the company profits before and after training, and then comparing with the costs of the training, a company should be able to determine the return on their training investment. And since TI itself boasts about their successes in customer satisfaction within two years from implementation of the learning from the program, this particular training

delivered very good return on the investment.

References

Cooper, R. G. & Edgett, S. J. (2003). Benchmarking best practices.

Performance results and the role of senior management. Product

Development Institute. Retrieved October 24, 2008, from http://www. stage-

gate. com/downloads/working_papers/wp_32. pdf

Roberts, M. (n. d.). Measuring the success of training. Train the Trainer.

Retrieved October 24, 2008, from http://www. notrain-nogain.

org/Man/TtT/mes. asp

Texas Instruments. (2008). About TI. Retrieved October 24, 2008, from

http://www. ti. com/corp/docs/aboutti. shtml? DCMP=

TIFooterTracking&HQS= Other+OT+footer_about_ti

Wilson, J. P. (2005). Human resource development 2nd ed. Learning and

training for individuals and organizations. Kogan Page Publishers.