

Tesco case study



||| TESCO TRAINING & Development ||||||||||||||| Submission
Date: December 19th, 2010 ||| Question no. 1: Explain the difference between training and development. How have changes in customer expectations affected Tesco and its need to train staff? Answer: Difference between Training and Development: Training is a process of sequential learning through a programmed behaviour. It improves the employee's performance in his current job and also prepares him for the intended job. Training is mainly a short term process, refers to directives in technical and mechanical problems, targeted in most cases for non-managerial employees, and intended for specific purpose. The main purpose for training is to improve productivity, quality, organizational climate, to increase health and safety, and personal growth. Development improves job performance, as well as, improves the personality of the individual employee. Development is about extending and improving a person's internal abilities. The employee or trainee is responsible for his or her development. Development is unlike training, a long term process, which deals with philosophical and theoretical educational purposes, most suitable for managerial staff, and deals with general knowledge procedure. Development process is the assessment of your own skills and abilities to determine about your job requirements, to identify the skills required for the job as compared to your skills, and to identify the need for extended skills. Tesco expanded its general products to include banking, insurance services, electrical goods as well as telephone equipment. Through this Tesco deals with a lot more customers than previously the staff was dealing with. As company grows the recruitment also expanded and new employees are hired. Tesco opens its distribution centres and stores in different diverse locations. Different locations

customers have different type of need of special goods, so it was important to have a clear understanding about the changing customer's need. Tesco need to train its employees so that they will be capable of working in different environment. Question no. 2: List the methods of training carried out by Tesco. Describe how training needs are identified. Answer: Tesco offers two types of training methods: On-the-job Training: On-the-job training train employees through:

- Observing the work of other on-job employees.
- Designating a coach or manager to help the trainees to tackle problems and find solutions.
- Experienced mentor or advisor to provide guidance.
- Job rotation where employees move to different department for short time to gain knowledge about that specific department.
- Secondement where employees shift to another company for temporary time period to experience totally different environment.

Off-the-job Training: This type of training is used in Tesco for such employees who are trained for some specific new skill or for development of individual skills. Mainly areas covered in off-the-job training are team-building, interpersonal communication skills, presentation skills, organization and planning skills. Off-the-job training is also used for new hired employees in Tesco through the detailed Induction training starting from day one. Through such kind of training newly hired employees get a chance to meet other trainees and learn more about company and company's main objectives rapidly. Training needs are recognized through identifying the gaps in knowledge and skills. Tesco employees belong from wide range of skill levels and it is important to evaluate the performance of employees so any possible skill shortage is estimated. The gaps are indentified trough Personal Development Program. Employees and managers negotiate and with each other to find the ways to

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completely fill those gaps through training or development activities.

Question no. 3: Analyze Tesco's method of developing its employees.

Consider the strengths and weaknesses of such a programme. Answer:

Tesco's Method of Development of its Employees: Tesco encourage its employees to understand and analyze their skills and abilities themselves through assessment of strategic questions. Employees will seek out answers about their current skills, skills required for the job, and the gap between employee's current skills and job required skills. Tesco provide long-term development programs called as Tesco's Options programme and employee's Personal Development Plan. Option's programme offers workshops to improve leadership and operating skills. While Personal Development program consists of various activity plans, keeps records of learning points of program and how these programs are implemented, and a checklist to keep track of implemented and completed plans. The employee monitors and writes his or her Personal Development therefore is able to do own analysis. Advantages and Disadvantages of Tesco's Development Program: Development programs are for individual employees. Tesco Development Plans are monitored and analyzed by employees themselves. Such analysis helps them to understand in their area of strength and weakness. As the Tesco's Development program works for a long term so it also results long-lasting effects. The employees who are working in company for a long time improve themselves through time by time and Tesco believes in retaining its staff as new recruitments are quite expensive and risky too. Tesco's development program makes its employees flexible in terms of skills and abilities and they are able to work under any circumstances. Tesco encourages its staff to engage in Development program themselves and not

every employee wants to enroll in such program. Most employees are “happy with their lot” and do not bother to develop them. Development program is a long-term program and employees also hesitate to engage in a long program as it takes a long time to finish. Tesco wants to develop all kinds of skills and abilities in its employees to make staff flexible who can adapt any environment but some employees personally do not want to change their field of work or specialization. Tesco’s employees are responsible for their development and line managers are only responsible for helping, guiding, reviewing their performance, and providing feedback.

Question no. 4: Evaluate the benefits for Tesco in providing a structured training programme. To what extent do you think the training has achieved a Return on Investment? Answer: There are enormous benefits for Tesco in providing a structured training program. Tesco now have 2, 200 stores and approximately 280, 000 employees in UK and over 460, 000 worldwide.

These figures indicate Tesco has a large business worldwide. For such a large organization, structured training programs are necessary in order to manage employees in such a large number. Training is itself a large investment and large investments require justification. Tesco also uses methods to get feedback from subordinates, peers, and managers in the organization which helps more in making everything in order and structured. Tesco provides well structured monitoring and evaluation of training and development. It also uses informal approach to development by asking employees directly. Managers and trainees weekly held informal review session as well as formal sessions to track process against the personal development plans.

Feedbacks are carefully monitored and scored. Such kind of constant, monitoring and evaluation, training achieves a return on investment.