

# Chapter XIX

## IT Training as a Strategy for Business Productivity in Developing Countries

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### **ABSTRACT**

Most existing studies on technology training address the operational issues of training process (e.g., training needs assessment, learning, delivery methods, etc.). The strategic concerns of IT training for enhancing business productivity largely are not addressed by the current literature. In this article, we explore the strategic concerns of IT training in hierarchical organizations, which are typically prevalent in developing countries. We synthesize various ideas in the literature on change management, training needs analysis, and IT adoption in order to evolve a strategic IT training framework for hierarchical organizations. The proposed framework recognizes the differences in IT training requirements for different levels of employees and suggests a differentiated training content for different segments of employees.

The training framework provides an actionable and comprehensive tool that can be used for systematically planning IT training for enhancing productivity of organizations.

### **INTRODUCTION**

Most existing studies on technology training address the operational issues of training process in the context of the western world; for example, training needs assessment (Nelson, Whitener, & Philcox, 1995), learning styles (Bostrom, Olfman, & Sein, 1990), and delivery methods (Compeau & Higgins, 1995; Sein & Bostrom, 1989). The strategic issues related to IT training in developing countries (e.g., what kind of training is required for employees; should the training given to all employees be similar in content and delivery)

remain relatively unexplored in past research. In this article, we explore these strategic concerns of IT training for hierarchical organizations, which are more prevalent in developing countries. We reiterate the strategic objectives of IT training that usually are lost sight of in the mundane and routine training activities in organizations.

### **Need for Systematic Training**

IT training in many organizations is a matter of chance rather than a planned initiative. Training, in contrast, refers to a planned effort by a company to facilitate the learning of specific knowledge, skills, or behaviors that employees need in order to be successful in their current job (Goldstein, 1992). The pressure for better training is expanding due to the increasingly popular view that people, rather than technology, represent the primary source of enduring competitive advantage (Ford, 1997). Although the need for training is being realized by many organizations, in many cases in developing countries, the training for new technology is not in tandem with organizational requirements. Some employees do receive IT training, but it is mostly a result of the personal initiative of that particular employee in the field of his or her interest. This field may or may not be of direct consequence to his or her job. In some cases, it is the mere persuasion of the training provider that initiates the training nominations from these firms. Consequently, the content and context of IT training often is decided by the training provider and not by the firm. This results in incongruence between training outcomes and organizational requirements. Effective training has to be in consonance with existing organizational structures and practices. There is a need to consider the interface between the organizational system and training (Goldstein, 1992; London, 1989) in order for the outcome to be fruitful and effective.

In many cases, IT training is thought of as a necessary evil and not as a strategic tool for

enhancing productivity. For example, Indian Railways, one of the biggest employers in the world with more than 1.6 million employees, does not have a systematic IT training program for its employees, though it is one of the biggest users of IT resources. Employees are imparted IT training on the basis of their emergent skill needs rather than as a part of a well-thought strategic plan. Some firms are proactive in realizing the importance of IT training but till are not able to plan their training modules systematically for want of critical knowledge about the who and what of IT training (i.e., which employees should be trained in what aspects for better leveraging of IT resources). An example in which the firm's success can be attributed to its well-thought-out and planned IT training is the Housing Development Board (HDB) in Singapore. HDB realized the importance of systematic IT training for its employees and was able to leverage training for its success. One of the major contributing factors was top management's proactive attitude toward IT adoption and training (Teo, 1999; Teo & Ranganathan, 2003).

There is no doubt about the fact that everyone in an enterprise does not require the same kind of training in IT for effective adoption and performance (Srivastava & Teo, 2004). In the context of developing countries, where most of the organizations are hierarchical in nature, these organizations have a well-defined chain of command, and the position of employees in the organizational hierarchy determines their responsibilities. The proposed framework seeks to identify the training requirements for different segments of employees so that customized IT training programs can be designed to facilitate speedy and fruitful IT adoption by these enterprises. Effective training requires a systematic approach to training needs assessment, which determines not only who to train but also what to train (McGhee & Thayer 1961). McGhee & Thayer (1961) also cite a lack of theoretical models for providing systematic training. Surprisingly, this gap in IT training literature

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