

PN-ACC-019

**Establishment of a Continuing Training
Program Within the Human Resources
Department of National Securities
Depository Limited**

**Financial Institutions Reform and
Expansion (FIRE) Project**

November 1997

**Financial Institutions Reform and Expansion
(FIRE) Project
US Agency for International Development
(USAID/India)
Contract #386-0531-C-00-5010-00
Project #386-0531-3-30069**

**Price Waterhouse LLP
1616 North Fort Myer Drive
Arlington, VA 22209
Tel. (703) 741-1000
Fax (703) 741-1616**

Price Waterhouse LLP



November 20, 1997

Mr. C. B. Bhave
Managing Director,
National Securities Depository Limited
Trade Towers, 4th floor
Kamla Mills Compound
Senapati Bapat Marg
Mumbai 400 025.

Dear Mr. Bhave,

Re: Establishment of a Continuing Training Program within the Human Resources Department of the National Securities Depository Limited (NSDL)

At your request and as a part of our contract with the USAID, Ms. Susan Hertel, Former Vice President with the Midwest Clearing Corporation/ Midwest Securities Trust Company of the US and Dr. Tessie San Martin, consultants to Price Waterhouse Capital Markets (*PW*), have completed the next part of our activity towards assisting the NSDL organizational setup.

Purpose of Activity

The primary purpose of this trip was to continue management training at National Securities Depository Limited (NSDL) through assisting the establishment of a continuing training program within the Human Resources Department of the NSDL.

Background

This assistance is the continuation of PW's assistance to the organizational development of NSDL. Price Waterhouse FIRE Project (*PW FIRE*) has been providing tools to NSDL, that will offer benefits on a long-term basis. Ongoing training of management and staff is recognized as one of those long-term needs.

To support NSDL in this critical area, Dr. Tessie San Martin and Ms. Susan Hertel, consultants to the PW FIRE project, conducted a presentation in June, 1997, on responsibilities of the Human Resources Department (*HRD*). The focus of this session was on the role of a modern HR Department, including the design and development of a continuous education program for staff.



Hertel, consultants to the PW FIRE project, conducted a presentation in June, 1997, on responsibilities of the Human Resources Department (*HRD*). The focus of this session was on the role of a modern HR Department, including the design and development of a continuous education program for staff.

A Continuing Internal Training Program for NSDL

In September, 1997, Dr. San Martin and Ms. Hertel conducted a follow-up meeting with members of the depository's management team. (Attendees at this meeting may be found in Appendix A.) During this meeting NSDL advised that they have decided to proceed with the development of the recommended training program, and requested specific assistance from the PW FIRE project. Based on this request, PW FIRE developed the following course of action to be undertaken on behalf of NSDL:

- Development of a training syllabus for the depository, including suggestions on specific courses
- to develop the needed skills of staff members.
- Recommendations on methodologies (outsourcing vs. in-house development of training).
- Training the trainer information/workshop.
- Assistance in developing a training evaluation methodology.
- Other steps that should be taken by NSDL in relation to and after completion of the initial training program.

Recommendations

The recommendations from the PW FIRE consultants cover both general training needs for the overall depository staff as well as those related to selected departments. General training needs encompass an expanded induction program and management and employee relations skills training. Under the latter category, the management team needs to receive training in delegation, manpower planning, use of NSDL's performance review system, and employment policies/laws. Other soft-skills training for the general staff (including management and officers) should be developed in the areas of communication, teamwork, time management and stress management.



Training needs related to the selected departments include the development of such skills as:

- Customer service
- Communications
- Negotiating
- Writing
- Problem analysis and solving techniques
- NSDL system use
- Corporate Actions
- Training for trainers
- Indian law/regulations related to securities depositories
- Auditing
- General interpersonal skills

A summary overview of these needs may be found in Appendix B in the form of a training program syllabus for NSDL.

Suggestions have also been offered by the PW team on how to develop and implement NSDL's training program. These suggestions cover diagnosing training needs, conducting training, evaluating training, and a future cross-training program. An action plan for implementation of this training program has been developed and summarized in Appendix E. The area primarily responsible for completion of each step has also been noted on the action plan summary. The outline for a trainers' workshop may be found in Appendix F.

Next Steps

Ms. Susan Hertel shall return to India in January 1997, to continue her assistance towards the Organizational development of NSDL. Further discussions will be held by the PW FIRE consultants with the appropriate members of the NSDL management team. Adjustments to the recommendations, action plan, and workshop will be made as agreed to under these discussions. The implementation of the resulting training program at NSDL will be fully underway by January, 1998, and will take place over a six-month period.

PW FIRE will assist NSDL in the creation of a training procedures manual for HRD and the presentation of a "Train the Trainer" workshop. Further, the consultants will be available to NSDL for guidance as needed during completion of the development steps.

Mr. C. B. Bhave
November 20, 1997
Page 4



For the success of this project the participation and cooperation of your management and staff is essential. We would like to thank you and your colleagues at NSDL for the time, courtesy and cooperation extended to us during the course of this project.

Please get in touch with us at the FIRE project for any clarifications you may require.

Thanking you,

Sincerely yours,

Handwritten signature of W. Dennis Grubb.

W. Dennis Grubb
Principal Consultant Capital Markets

E

***Establishment of a Continuing Training Program
within the Human Resources Department
of National Securities Depository Limited (NSDL)***

***Price Waterhouse LLP
Mumbai
November 1997***

TABLE OF CONTENTS

I. Executive Summary 1

II. Background 4

III. Approach 6

IV. NSDL Hiring Practices 7

V. Current Staffing 8

VI. Training Developed by NSDL to date 9

VII. Recommendations on General Training Needs..... 10

VIII. Recommendations on Specific Departmental Training Needs 14

IX. Implementing NSDL’s Training Program 20

X. Action Plan for Implementation of Training Program 28

XI. Conclusion 31

Appendices

- A. Meeting Attendees**
- B. Overview of Recommended Training Program Syllabus**
- C. Methodology for Assessing Training Needs**
- D. Methodology for Evaluating the Training Programs and Training Curriculum**
- E. Action Plan for Implementation of NSDL’s Training Program**
- F. “Train- the- Trainer” Course Outline and Sample Materials**

I. EXECUTIVE SUMMARY

A primary objective of the Price Waterhouse FIRE Project (*PW FIRE*) is to provide tools to organizations such as National Securities Depository Limited (*NSDL*) that will offer benefits on a long-term basis. Ongoing training of management and staff is recognized as one of those long-term needs. To support NSDL in this critical area, Dr. Tessie San Martin and Ms. Susan Hertel, consultants to the PW FIRE project, conducted a presentation in June, 1997, on responsibilities of the Human Resources Department (*HRD*). The focus of this session was on the role of a modern HR Department, including the design and development of a continuous education program for staff. At that time, the consultants recommended that NSDL consider developing an ongoing training program with assistance from the FIRE Project.

In September, 1997, Dr. San Martin and Ms. Hertel conducted a follow-up meeting with members of the depository's management team. (Attendees at this meeting may be found in Appendix A.) During this meeting NSDL advised that they have decided to proceed with the development of the recommended training program, and requested specific assistance from the PW FIRE project. Based on this request, PW FIRE developed the following course of action to be undertaken on behalf of NSDL:

- Development of a training syllabus for the depository, including suggestions on specific courses
- to develop the needed skills of staff members.
- Recommendations on methodologies (outsourcing vs. in-house development of training).
- Training the trainer information/workshop.
- Assistance in developing a training evaluation methodology.
- Other steps that should be taken by NSDL in relation to and after completion of the initial training program.

NSDL management agreed to the above plan and to limiting the identification of departmental-specific training needs to those areas where the documentation of internal operating procedures was completed by October, 1997 (Participant Interface, Issuer Interface - Marketing, Issuer Interface - Operations, and Business Partner Inspections).¹

¹ The PW-FIRE project is working with NSDL to develop a formal procedures documentation program under a separate scope of work.

As background information for the development of recommendations for NSDL's training program, the PW FIRE consulting team considered the following:

- NSDL's hiring practices
 - ▶ Current staffing levels.
 - ▶ Training developed by NSDL to date.
 - ▶ Job descriptions (as previously developed by PW)
- Departmental workflows (as previously developed by PW and adapted to actual processing.
- Documented operating procedures for selected departments

The resulting recommendations from the PW FIRE consultants cover both general training needs for the overall depository staff as well as those related to the selected above departments. General training needs encompass an expanded induction program and management and employee relations skills training. Under the latter category, the management team needs to receive training in delegation, manpower planning, use of NSDL's performance review system, and employment policies/laws. Other soft-skills training for the general staff (including management and officers) should be developed in the areas of communication, teamwork, time management and stress management. Training needs related to the selected departments include the development of such skills as:

- Customer service
- Communications
- Negotiating
- Writing
- Problem analysis and solving techniques
- NSDL system use
- Corporate Actions
- Training for trainers
- Indian law/regulations related to securities depositories
- Auditing
- General interpersonal skills

A summary overview of these needs may be found in Appendix B in the form of a training program syllabus for NSDL.

Suggestions have also been offered by the PW team on how to develop and implement NSDL's training program. These suggestions cover diagnosing training needs, conducting training, evaluating training, and a future cross-training program. An action plan for implementation of this training program has been developed and summarized in Appendix E.

The area primarily responsible for completion of each step has also been noted on the action plan summary. Assistance from the PW FIRE project consultants is offered in the areas of developing the procedure manual for HRD and in the presentation of at least one "Train the Trainer" workshop.

The outline for the trainers' workshop may be found in Appendix F. It has been designed in modular form. This will enable PW to customize the workshop to fit the needs of NSDL.

After presentation of this paper, further discussions will be held by the PW FIRE consultants with the appropriate members of the NSDL management team. Adjustments to the recommendations, action plan, and workshop will be made as agreed to under these discussions. It is expected that the implementation of the resulting training program at NSDL will be fully underway by January, 1998, and will take place over a six-month period.

Participation by PW FIRE will include assistance in the creation of a training procedures manual for HRD and the presentation of a "Train the Trainer" workshop. Further, the consultants will be available to NSDL for guidance as needed during completion of the development steps.

II. BACKGROUND

In June, 1997, Dr. Tessie San Martin and Ms Susan Hertel, consultants to the PW FIRE project, conducted a presentation on responsibilities of the Human Resources Department (HRD). The focus of this session was on the role of a modern HR Department, including the design and development of a continuous education program for staff. At that time, the consultants recommended that NSDL consider developing an ongoing training program with assistance from the FIRE Project.

A follow-up meeting was held in September, 1997, with Dr. San Martin and Ms. Hertel (attendees at this meeting may be found in Appendix A.) During this meeting NSDL advised that they have decided to proceed with the development of such a training program. Specific assistance was requested by NSDL management in the following areas:

- Development of a general and department-specific training syllabus.
- Development and delivery of train-the-trainer workshops in key areas.
- Development of the methodology to evaluate the costs and benefits, and the quality of the training program.
- Provide advice on the design of an inductee program.

Based on the above request, PW FIRE suggested the following course of action:

- Develop a training syllabus for the NSDL that identifies:
 - ▶ Courses to be taken by NSDL staff members at different levels and positions.
 - ▶ Both “soft” and “hard” (technical) skills training requirements for individual departments and levels within those departments.
 - ▶ Training methodologies to be used, including strategies for outsourcing training programs (e.g. when and how to outsource).
- Develop a manual (or set of manuals) for trainers and conduct at least one train-the-trainer workshop.
- Assist NSDL in developing a training evaluation methodology.
- Identify additional steps that should be taken by NSDL after completion of the initial training program with respect to areas such as cross-training.

The above plan was discussed with and agreed to by NSDL management. It was also agreed that the identification of specific training needs would be limited to those departments where the documentation of internal operating procedures has been completed by October, 1997.

Those departments are²:

Participant Interface

- Issuer Interface - Marketing
- Issuer Interface - Operations
- Business Partner Inspections

The following sections of this paper discuss each facet of the proposed training program in detail. Also included is an action plan that sets target dates for each phase.

Once the initial training program is designed under the guidance of the FIRE project, the management of NSDL will incorporate it into the responsibilities of the HRD. This training program will need to then be periodically reviewed by the NSDL for continued applicability and needed changes and/or additions to continue to meet the changing needs of the depository. Methodologies for continuously evaluating and updating the NSDL's training program are discussed in section IX and detailed in Appendix C and D to this document.

²The PW-FIRE project is working with NSDL to develop a formal procedures documentation program under a separate scope of work.

III. APPROACH

In developing specific recommendations for NSDL's training program, the PW FIRE consulting team considered the following:

NSDL's hiring practices

- Current staffing.
- Training developed by NSDL to date.
- Job descriptions (as previously developed by PW)

Departmental workflows (as previously developed by PW and adapted to actual processing).

Documented operating procedures for selected departments.

This background information was used to develop both general needs that can be used for the overall depository staff, as well as the specific needs to develop skills of staff members in selected departments.

IV. NSDL HIRING PRACTICES

Since its creation, the NSDL has recruited and hired “generalists” as entry level professional staff. These individuals were not recruited for a specific department or position. Rather they came into a common pool of “officers” and were then assigned to specific departments as required. Entry-level professional staff included Chartered Accountants, MBA’s, and Cost Accountants. NSDL also required one to two years of work experience at some organization within capital markets.

Now that the majority of the staffing has been completed, departments identify specific needs and positions and then recruit appropriate entry-level officers to fill these needs. There is no longer a common pool of entry level recruits. As staffing is needed, each department requests the number of individual desired. Those hired still tend to be “generalists” and hold primarily MBA degrees.

Hiring practices for shaping the management team have been different. The philosophy of hiring generalists ends at the Assistant Vice President (AVP) level. The need for specific skills are identified as needed by the respective department(s) for which the individual will be responsible. To fill the most senior positions in the organization, the NSDL looked for individuals with the in-depth expertise and experience necessary to oversee the technical and business operations of the depository.

In addition to hiring from external candidates, the NSDL may promote individuals from within the corporation. It is expected by NSDL management that 2-4 years of experience in the current position at the depository will be necessary prior to routine promotion.

V. CURRENT STAFFING

As of October 9, 1997, NSDL has a total of 100 employees. The breakdown by level is depicted in Table 1. NSDL is interested in developing a corporate training program that covers all levels of employees.

<u>Position</u>	<u>Systems</u>	<u>Operations</u>	<u>Total</u>
Managing Director			1
Executive Directors	1	1	2
Vice Presidents	2	2	4
Asst. Vice Presidents	1	1	2
Manager	2	3	5
Asst. Managers	7	2	9
Officers	27	28	55
Executive Secretaries	7	12	19
<u>Drivers</u>			<u>3</u>
Total			100

VI. TRAINING DEVELOPED BY NSDL TO DATE

a. *Induction Training*

NSDL has adopted a general “on the job” induction program for new entry-level hires. Under this program, individuals rotate through departments within the depository over a period of one week. Time is spent observing and discussing processes in each area. Typically, only one new individual is in each department at a time.

To support the rotation process, NSDL has developed a manual entitled “*Introduction to Capital Market Operations*”. The manual provides an overview of the different sectors of the capital market that impact and/or interact with the depository. A glossary of common terms is also included.

This manual has been developed recently, and has yet to be distributed to new employees. It is expected, though, that such new employees will read the manual during the week that they are rotating through the various operational departments. The employee will have the opportunity at that time to ask questions of the various staff and management that pertain to information in the manual.

b. *Other Training*

In addition to the document on capital market operations, NSDL has written two other training manuals: “*Introduction to the Network Department*” and “*Introduction to the Systems Administration*”. These manuals address the technical aspects of the NSDL system and include such information as:

- Distinct responsibilities of the two areas of the Information Technology (IT) department.
- Technical descriptions of how the communications network and computer systems work.
- How to perform functions within the communications network and depository module within the computer system.
- Network and system security.
- Troubleshooting methods to be tried by the user.

These manuals support the “on-the-job training” of NSDL employees and emphasize training in the use of the technical system. The documents act as desk top references for daily use of the depository system.

VII. RECOMMENDATIONS ON GENERAL TRAINING NEEDS

Given its current size and expected growth of the organization, the NSDL recognizes that it must act now to formalize its internal staff development procedures and programs. Otherwise, it will run the risk of losing staff cohesion, disrupt workflows and adversely affect personnel productivity.

Staff development must be primarily a responsibility of all senior NSDL management. But senior management can and should expect its HR Department to take a proactive role in the development and management of the organization's staff development activities.

This document is designed to help guide the HRD management in identifying key programs, tasks, systems and procedures that need to be established to enable it to take an effective and proactive role in staff development through training. Staff development comprises much more than training, of course. It includes coaching and mentoring programs, as well as staff appraisal and professional development planning processes. These other components cannot be forgotten. Without them, the design and development of training programs is both more difficult to carry out and less likely to have a real impact on the organization as a whole. This theme will be expanded upon in the sections that follow.

Training programs can be divided into three categories: induction or general orientation, management and employee relations skills, and department specific skills. The needs of all levels of the staff (juniors, officers, management) should be considered in designing the training. Recommendations on specific subjects for each of these three categories follows.

a. Induction Program

New employees at NSDL would benefit greatly from an expanded induction program. Comprehensive presentations and question and answer sessions should be developed in each of the following areas:

Benefits :

NSDL is competing with the rest of the industry for the best and the brightest. Among the more effective ways to attract and retain new employees is through the organization's benefits program. Such benefits include group hospitalization, medical allowances, holidays, training programs (internal and any subsidies or tuition reimbursement plans for continuing external education), etc. A short information session that informs staff about the contents of their benefits package, and explains how that package grows and is enhanced with time in the organization, can help enhance the NSDL's image among its new recruits. Having a short session in this topic early on, can also save the HRD staff time replying to employee queries in these areas later. In fact, it would help if this information were also collected to form part of an *Employee's Manual* that each inductee receives upon joining the organization.

Overview of Capital Markets:

At this time, inductees are given the NSDL manual by this name and asked to read it. This is a good starting point. But we suggest creating a short session to present and discuss key points in this material. This short session, would provide an opportunity for the inductee to ask questions prior to the rotation portion of the induction program.

Overview of NSDL:

This short session should provide an overview of NSDL operations and the role that NSDL plays in the capital markets. It would build on the session held on capital markets described above. To complement this session, we suggest that the current version of the manual *Overview of Capital Markets* be expanded to include a chapter specifically on the NSDL and depository processes.

The current version of the manual contains a few comments on the depository. But a separate chapter would bring into focus how NSDL is related to the other entities described. Other sources of material for this overview are the video and literature produced by NSDL's Marketing Department. This material is directed at business partners, but provides the same information on general depository processes that is needed by the new employee at NSDL.

b. Management and Employee Relations Skills Training

Generic Management Training

All levels of NSDL management should receive training to develop various generic management skills. This type of training includes such topics as:

General interpersonal skills

- Communication skills
- Motivation
- Subordinate development
- Team building
- Time management
- Stress management

Introduction to supervising/managing (for those who have no previous experience in managing personnel)

Both initial courses and periodic review sessions should be established as part of the internal training program. Developing these skills will make the management team more effective in their internal and external interactions. Further, these skills help the managers to create more

productive, satisfied employees.

We recommend that, at least initially, training sessions for soft skills should be outsourced by NSDL. There are several institutions in India that offer such training. NSDL should work with one or more of these institutions to develop courses that address the training needs of the depository. These courses may be held either at NSDL or off-site. Chapter IX provides guidelines for outsourcing training programs.

NSDL-Specific Management Courses

The above programs apply to managers in any organization. In addition to these programs, NSDL's training for managers should include the development of skills as specifically related to the **management of the depository business**.

Managers who have subordinates reporting to them need to be able to motivate their staff through the various interpersonal skills discussed above in "soft skills". These managers also need to develop administrative skills to support the overall functioning of their departments. Training sessions to develop these more technical skills should include:

Delegation - Clearly, a good manager needs to understand how to analyze workflows and assign tasks effectively.

Manpower planning - Managers need to be able to project staffing needs for purposes of budgeting, supporting new or changing services, seasonal affects, etc.

NSDL performance review system - Writing performance reviews is not simply the completion of a form. Managers need to understand any corporate philosophy behind the review system, and what impact the review may have on the employee's position at the depository. If salary and salary increases are tied to performance, managers must know how the two processes relate.

NSDL employment policies/Indian employment laws - These two topics must be studied together. Employment policies must comply with the law while supporting the objectives of the depository. Managers need to understand both to ensure that they meet the requirements of both policies and laws in carrying out responsibilities in the areas of hiring, transfer, promotion, discipline, termination, etc.

Sessions in delegation and manpower planning may be outsourced. However, training on the performance review system and NSDL's employment policies vs. employment laws should be developed internally.

Other Soft-skills Training⁴

The general staff, not just management, can benefit from soft skill development in such areas as:

- Communication
- Teamwork
- Time management
- Stress management

Training of the more junior staff members in these areas will compliment the training provided to their managers to further strengthen departmental production. In addition, both managers and staff will become a more cohesive group when these skills have been strengthened. These courses can also be easily outsourced.

VIII. RECOMMENDATIONS ON SPECIFIC DEPARTMENTAL TRAINING NEEDS

Under this scope of work, the identification of specific training needs by department is limited to those departments where procedures have been documented by PW-FIRE under a separate work plan. Such procedures need to have been produced in final form as of October, 1997, for the departments to be included in recommendations on training. For purposes of the training program development, and, therefore this paper, those departments are:

- Participant Interface
- Issuer Interface - Marketing
- Issuer Interface - Operations
- Business Partner Inspections

Recommendations on training needs for each of the above areas follows. It should be noted that these training issues are appropriate for both management and subordinate staff members in each area.

A notation is made after each recommendation as to whether the training should be developed internally or outsourced. "Outsourced" may be either off-site (e.g. at a training institution outside the NSDL's premises, such as sending staff to attend a course at the New York Institute of Finance, or the UTI-Institute of Capital Markets) or on-the-premises (e.g. bringing outside trainers into NSDL to conduct sessions). Outsourced courses can either be bought as-is (e.g. enrolling staff in a regularly scheduled course by the DTC in New York or the UTI-ICM) or be tailored specifically to fit NSDL-identified needs. The latter is always more expensive, and if intensive tailoring is required, NSDL management should examine carefully the costs and benefits of outsourced vs. in-house courses.

Ultimately, of course, what follows are simply recommendations. NSDL management may elect to internally develop some of the training marked as "outsource". This notation is simply made where it is believed that training is already offered outside of NSDL or can easily be developed by a training institution/organization for the benefit of the depository. Outsourcing training where possible will simplify and expedite the implementation of NSDL's internal training program.

a. Participant Interface

This is the contact area for depository participants. Participant Interface is responsible for assisting the depository participants in completing daily activities through the depository and resolving real and perceived problems reported by the participant.

Soft skills specifically needed by this area include:

Customer service - The Participant Interface staff has primary responsibility for servicing the customers of the depository. Such training should teach the management and staff what it takes to achieve customer satisfaction and quality service. They need to develop the skills to meet service expectations during both routine inquiries and problem situations. (Outsourced)

Communications skills - Developing good communications skills supports the general customer service skills discussed above. Having such skills also ensures that internal communications are effective in solving problems or completing routine tasks. (Outsourced)

Negotiating skills - This skill helps to “get the job done” under both internal and external interactions. Being an effective negotiator can help to calm irate customers while moving toward finding resolutions to their problems. (Outsourced)

The training on the more NSDL-specific skills needed by the Participant Interface staff includes:

Writing skills - A primary method of communicating to depository participants and other internal/external entities is writing messages. These may be to provide or seek information, and may take the form of a formal letter or a computerized message. Staff members should receive training in how to compose written communications that are logical, concise, and provide clear explanations. Developing these skills will save time and confusion for all those involved in the related activity. (Outsourced)

Problem analysis and solving techniques - The majority of the time spent by the Participant Interface staff will be analyzing information and solving problems. Therefore, training to develop these types of skills would be beneficial to members of this department. Having these skills will expedite the resolution of real and perceived problems. (Outsourced)

NSDL system use - Participant Interface staff will need training on the NSDL system from two perspectives: actual use (accessing and entering) and understanding output as related to depository participants. The manuals already developed by NSDL to describe the technical aspects of the depository system (“*Introduction to the Network Department*” and “*Introduction to the Systems Administration*”) can probably be used as the basis for more formal training sessions on accessing and entering data. This should be complimented by sessions on activities related to depository participants and resulting reports. (Internal)

Corporate Actions - Some of the work done with depository participants will relate to corporate actions. This will take the form of researching and resolving corporate action problems that are related to depository transactions. Understanding the basics

of the various types of corporate actions would help the Participant Interface staff in servicing the depository participants in this area. (Outsourced)

b. Issuer Interface - Marketing

Issuer Interface - Marketing is responsible for increasing the number of issuers that use the depository for the processing their securities. This is accomplished by NSDL's target-marketing of specific issuers as well as processing applications received through direct contact by issuers. Seminars directed at issuers are conducted by Issuer Interface - Marketing as part of the marketing approach.

Based on the responsibilities of the Issuer Interface - Marketing area, the staff members should have training on the following:

Communications skills - Staff members need to be able to communicate the benefits of the depository to the issuers and their agents. These communications need to be effective so that issuers/agents will clearly understand the workings of NSDL. (Outsourced)

Negotiating skills - Where NSDL has selected issuers as desirable prospective members, the staff of the Issuer Interface - Marketing department must convince the issuer(s) of the benefits of using the depository. Part of this process may include negotiating use of the depository on a limited basis. This would provide the issuer the exposure to understand these benefits. (Outsourced)

More NSDL-specific skill training needed by this department includes:

"Train the Trainer" sessions - This is needed to support workshops conducted for issuers. The objective of these sessions are to train current and would-be NSDL trainers in course design, effective communication skills, course administration, logistics, budgeting and evaluation. An outline for such a train-the-trainers session as well as sample materials for such a course are included as Appendix F to this document. (Internal)

Note: HRD staff could also benefit from attending this type of course.

Writing skills - Similar to the Participant Interface area, staff members will need to communicate with issuers that are potential business partners or have submitted an application. A primary method of these communications takes the form of a formal letter or a computerized message. Staff members should receive training in how to compose written communications that are logical, concise, and provide clear explanations. Developing these skills will save time and confusion for all those involved in the related activity. (Outsourced)

c. Issuer Interface - Operations

The responsibilities of Issuer Interface - Operations are very similar to those of the Participant Interface area. But their focus is related to issuers and their agents instead of depository participants. Therefore, Issuer Interface - Operations is responsible for assisting the issuers/agents in completing daily activities through the depository and resolving real and perceived problems as reported by this group of business partners.

Soft skills needed by the staff of Issuer Interface - Operations are therefore similar to those of the Participant Interface. Specifically, these include:

Customer service - Issuers and their agents are also customers of the depository. Therefore, customer service skills need to be developed in the Issuer Interface - Operations staff. Such training should teach the management and staff what it takes to achieve customer satisfaction and quality service. They need to develop the skills to meet service expectations during both routine inquiries and problem situations. (Outsourced)

Communications skills - Developing good communications skills supports the general customer service skills discussed above. Having such skills also ensures that internal communications are effective in solving problems or completing routine tasks. (Outsourced)

Negotiating skills - This skill helps to "get the job done" under both internal and external interactions. Being an effective negotiator can help to calm irate customers while moving toward resolutions to problems. (Outsourced)

Also as recommended for the Participant Interface personnel, training for the Issuer Interface - Operations department would include:

Writing skills - A primary method of communicating to issuers and agents and other internal/external entities is writing messages. These may be to provide or seek information, and may take the form of a formal letter or a computerized message. Staff members should receive training in how to compose written communications that are logical, concise, and provide clear explanations. Developing these skills will save time and confusion for all those involved in the related activity. (Outsourced)

Problem analysis and solving techniques - The majority of the time spent by the Issuer Interface - Operations staff will be analyzing information and solving problems. Therefore, training to develop these types of skills would also be beneficial to members of this department. Having these skills will expedite the resolution of real and perceived problems. (Outsourced)

NSDL system use - Issuer Interface - Operations staff will need training on the NSDL system from two perspectives: actual use (accessing and entering) and understanding output as related to issuers and their agents. The manuals already developed by NSDL to describe the technical aspects of the depository system ("*Introduction to the Network Department*" and "*Introduction to the Systems Administration*") can probably be used as the basis for training sessions on accessing and entering data. This should be complimented by sessions on activities related to issuers/agents and resulting reports. (Internal)

Corporate actions - Much of the work done with issuers and/or their agents will relate to corporate actions. Tasks will include providing information to support the processing of corporate actions both internal and external to the depository, and researching/resolving problems that are related to depository transactions. Understanding the basics of the various types of corporate actions would help the Issuer Interface - Operations staff in servicing the issuers and their agents in this area. (Outsourced)

d. Business Partner Inspections

Business Partner Inspections is responsible for conducting the annual review of the records of the various business partners (issuers, agents, depository participants, clearing members, etc.) as they relate to the depository. To assist the staff members in performing this review and understanding the role of the depository in this responsibility, the following training should be established for this area:

Indian securities law and regulations as related to depository - The responsibilities of the depository and the different types of users are defined in both the law establishing depositories and the regulations governing them. The staff of Business Partner Inspections is charged with ensuring the compliance of these responsibilities by the business partners. A well briefed and trained Business Partner Inspections staff can potentially save the NSDL much aggravation as its business grows. A training program in this area is imperative in terms of creating an effective compliance system. (Outsourced)

Audit skills - The inspection of business partners is a type of audit being done by NSDL. Therefore, the staff of this area would benefit from a general course to develop auditing skills. (Outsourced)

Writing skills - The staff of Business Partner Inspections will be required to prepare reports on their findings for the benefit of NSDL management and related departments (such as Compliance, Surveillance, and Risk Management). Staff members should receive training in how to compose such written communications that are logical, concise, and provide clear explanations. Developing these skills will save time and

confusion for all those involved in the related activity. (Outsourced)

Interpersonal skills - The inspection of records by the depository is naturally a very sensitive area for the business partners. The development of good interpersonal skills among the Business Partner Inspections staff should give them the tools to overcome these sensitivities when performing their duties. (Outsourced)

All of the above recommendations are summarized in a chart form in Appendix B.

IX. IMPLEMENTING NSDL'S TRAINING PROGRAM

To implement the recommendations outlined in the preceding sections, and establish an effective internal system for identifying emerging training needs and updating existing programs, the NSDL should:

Develop a training diagnosis methodology. This will enable management to identify in systematic fashion the types of courses required for each staff member as well as provide guidance in terms of relevant course content.

Develop systems to select and prepare instructors to deliver the courses. Procedures and guidelines regarding the use and selection of outside vendors need to be developed; guidelines and materials to help in-house staff become effective course designers and instructors also need to be prepared.

Develop a methodology and systems for evaluating its training programs. The NSDL should establish a system for evaluating training courses and the training curriculum as a whole to ensure it remains responsive to the evolving needs of the organization.

a. Diagnosing Training Needs

The preceding sections have identified a number of training programs for the organization. How will the NSDL identify what staff needs to attend each course? How will course agendas and course material be developed? Who will develop these course agendas? The development of an in-house system to diagnose training needs on an on-going basis is critical to addressing all these tasks.

What?

The identification of training needs should be conducted at two levels. At one level is the annual staff appraisal and professional development planning process. The other is as part of periodic consultations with department supervisors and senior management. Both processes should help identify staff development problem areas. It is then the job of the HRD manager, with the collaboration of all NSDL management, to identify if and how training can help address that particular staff problem.

As part of the annual appraisal process, supervisors should meet with their staff to discuss their performance and identify jointly key technical and "soft-skills" areas in which training is required. The staff appraisal process will help department managers and the HRD staff identify problem areas/skills shortfalls on an individual staff member basis.

In addition to this linkage with the staff appraisal process, more detailed and systematic

diagnostic exercises on a department-wide or organization-wide basis, can be conducted by the HRD manager in collaboration with department supervisors. The information from these assessments can be a good source for identifying systematic staff development problems.

Once such problems have been identified, the question for the HRD manager is whether these are problems that can be addressed through training, and if so, what kind of training is most appropriate. Let's assume management has identified high staff turnover as a problem. But, is this a problem that can be solved by training? The HRD manager might begin by examining exit interviews closely. If the data from these interviews reveal that staff are leaving primarily for higher paying jobs elsewhere in the industry, training is not the solution. But if they suggest that staff are demoralized by lack of supervisor guidance and poor feedback, then training supervisors better in staff appraisals, people management, communication, etc., may be at least part of the answer. In this case, the HRD manager will then proceed to design a survey or interview process that will help him/her identify more clearly managerial weaknesses and issues. On the basis of the results from this survey, training needs can be identified and then course objectives outlined.

How?

Once a particular problem area has been identified, and training is seen as the possible solution, the challenge is to develop clear course objectives, and measures of success. There are two types of needs assessment methodologies that can be used, depending on the potential audience and their level of experience.

The *consultative process* is used when the people receiving the training have a great deal of experience and understand what subject areas they need to learn more about, for example, directors and senior managers who wish to increase their knowledge in specialized areas. The Consultative Process is one of assisting the learners define more clearly what they need to know. It is based on fairly extensive interviews with a representative sample of those targeted for this type of training.

In cases where the potential course participants are not fully aware of the knowledge, skills and attitudes required to perform their job a different approach is needed. It relies on interviewing not just members of the target audience, but a set of other individuals including: the proposed participants' immediate supervisor, and/or his/her predecessor, and if appropriate even outside technical experts. The idea is that these people are in a better position to define the skills and attitudes needed for a job than the potential participant himself.

In addition to interviews with these sets of individuals, the HRD manager has a variety of other sources for information to help shape the course/courses. One is the procedures manuals and workflows that are developed and updated for each department. These manuals give an excellent view of the key tasks and skills requirement for a specific job or set of jobs.

This has been one of the key sources of information used for developing the curriculum suggestions outlined in this document. This is why it is so important to keep these procedures and manuals updated.

Appendix C to this document presents the basic steps required for conducting each of these types of assessments.

Once the needs diagnosis has been completed the results must be documented. At the very least, those responsible for conducting the assessment should write a memorandum that includes the following:

A brief description of the process used to accomplish this needs assessment or diagnosis (e.g. through interviews with supervisors and potential participants, an evaluation of departmental workflows, or other sources or combinations thereof;

A list of the learning needs that resulted, by department or division;

Descriptions of the objectives and content for each of the courses that will be used to address these learning needs;

A brief description of other means that may exist to also help address these learning needs (e.g. on-the-job mentoring, self taught courses, different recruitment approaches, etc.)

When?

As described above, the training needs assessment is a continuous process. Training needs are being identified and evaluated as part of the staff appraisal process. In addition, major changes in internal company policy, or the market and regulatory structure may require that a needs assessment be conducted for specific departments or other parts of the organization.

Each year individual courses need to be checked to ensure their content continues to respond to the learning needs identified in the diagnosis. The checking process does not need to be excessively time consuming, but it does need to be systematic.

Key questions to ask every year upon reviewing the course curriculum in light of training needs assessment results and the staff appraisal process are:

Has the job description of the course attendees changed since the last presentation?

Have the organization's strategic plans changed in a way that affects the contents and priorities of the training?

Have there been any technical and/or policy announcements that impact the content of the course (e.g. a new software package, changes in regulatory requirements by SEBI?).

Did the participant evaluations raise any concerns regarding relevance of the content, omitted content etc.?

Section c below reviews in more depth the course evaluation methodologies.

Who is responsible for these assessments?

The identification of training needs is primarily the responsibility of supervisors and senior management. The HRD manager can help implement the process and coordinate needs diagnoses across divisions and departments (see Appendix C). The HRD manager can also help interpret results. But ultimately, it is the responsibility of line staff and their managers to ensure the curriculum is appropriate and responds effectively to organizational and staff needs.

b. Conducting Training

Training can either be delivered by the NSDL's own staff or with the help of an outside vendor.

Many organizations rotate the task of developing courses and training staff in key areas among the senior management. The HRD manager helps to coordinate this "virtual faculty" providing them with logistical support, assistance in the development of course materials, and so on. In addition, the HRD manager may want to help prepare managers selected to serve as in-house trainers in the art of effective communication. Appendix F contains a suggested curriculum and sample materials for a basic "*Train-the-Trainer*" course targeting NSDL managers expected to become trainers themselves.

Outsourcing

Vendors can be contracted to help design a course, deliver a course or manage the course logistics -- or to undertake all three. Outsourcing makes sense when the course required is addressing a relatively generic skills set (e.g. effective writing style, time management, stress management).

Outsourcing can also be a strategy for training in-house trainers—that is you outsource the initial course design and then ask the vendors to train your own staff so that you can continue giving the course yourself in the future. This strategy makes sense when the topic requires a fair amount of tailoring to make it relevant to the organization; when you can expect to want to offer it many times; or when management believes that the delivery of the main messages

from the course will be more effectively delivered by in-house staff.

Outsourcing should not be considered when courses are highly specific to the organization (e.g. marketing the NSDL's services). First, it is unlikely that a vendor will be able to know as much as you do about your product or market. Second, you want to be careful regarding the message you send staff. The purpose of some courses is not just to transmit a skill but also inspire and motivate. This is often best done by the supervisors and senior managers themselves, not outsiders.

If a course is being outsourced, the HRD manager, in collaboration with senior management, will need to prepare a tender document, asking for bids. The tender document should outline the objectives of the course and identify the intended audience (this is information which should come out of the needs assessment process). It should also specify, if appropriate, the type of personnel experience required to make the course effective (e.g. instructors should have x years of experience in the securities industries), and also specify the selection criteria (e.g. in the selection process, 60% of the score will be based on the experience of the proposed instructors and 40% will be based on costs).

Just because you have contracted with an outside vendor for a training course does not mean that you abdicate responsibility for assessing needs or the success of the course. The HRD manager needs to work closely with the vendor(s) to ensure that the course content is appropriate, quality standards are being met and evaluate whether and how the course is making a contribution to the corporate bottom line.

c Evaluating Training

The purpose of developing a training evaluation methodology is to assess whether the training programs and individual courses within the program are meeting the needs of the participants **and** the organization. By developing and implementing a training evaluation methodology, the NSDL can help ensure its training program is kept relevant and responsive to the changing needs of both.

The evaluation of an organization's training program takes place at several levels. The first level of evaluation seeks to get the participants **reaction** to the course: did the course meet certain specific quality standards in terms of relevance of the materials, instructor effectiveness, program logistical arrangements, and so on. At the second level, the objective is to ascertain whether and what the participants learned from the program. The third level is the measurement of behavioral change and on-the-job applications of the concepts and skills taught in the course. The final level is the measurement of how training contributes to business results. This is the level that focuses on the actual results or *impact* of the programs or courses on the organization.

Level 4 evaluations are not appropriate for every program or course. Most organizations set

targets in terms of percentage of their training courses/programs that will be subject to each level of evaluation (see table below).

Table 1. Illustrative Targets for Program Evaluation

<i>Evaluation Level</i>	<i>Percentage of courses evaluated at that level</i>
Level 1: Are participants satisfied?	100
Level 2: Have participants learned?	70
Level 3: Are participants applying their knowledge?	50
Level 4: Is the training improving organizational performance?	10

It is up to the NSDL to decide its overall strategy for conducting evaluations at each level. Such a decision should be based on management's expectations of its HRD department and its view of the role of training in the organization. Appendix D provides the HRD department staff with guidance regarding the implementation of training program evaluation systems.

Implementing a system for evaluating the training curriculum on a systematic basis requires that the NSDL management, with the assistance of the HRD manager:

Reviews the training curriculum and identify how each course will be evaluated.

As a general rule, organizations demand that every course be subjected to a level 1 evaluation, thereby ensuring all courses meet minimum quality standards. But which courses will be submitted to rigorous cost benefit analysis, and which if any will be evaluated at an intermediate (e.g. did any learning take place?) level. Appendix D provides guidelines for making decisions regarding how each type of course should be evaluated. A timeline for conducting program-wide evaluations and individual course evaluations should also be established.

Develops a training evaluation procedures manual for the HRD department.

Guidelines regarding which courses are evaluated, how and when they are to be evaluated should be developed and procedures and forms for conducting these evaluations, including mechanisms and instruments/questionnaires to be used for gathering data should be documented in a procedure manual.

Establishes systems and procedures for gathering data on participants reactions to and perceptions of course relevance and quality.

Included in this procedure manuals should be a format for standard evaluation forms. The manual should also address how to interpret the results of the evaluations, e.g., what is an "acceptable" response rate for whether the course was relevant to the employees. Finally, the manual should also include ways that the course developers or trainers should follow up if the evaluation results are below standard. The HRD

manager needs to establish a system for establishing and tracking training program budgets. Appendix D provides several evaluation formats that can easily be adapted for the manual.

Establishes procedures and systems for conducting cost/benefit analysis.

Procedures for conducting a cost/benefit analysis should be prepared and documented in the procedure manual. The manual should cover how and when evaluations are to be performed, possible methodologies that can be used for data collection, and the specific methodology that should be used for each course in the program. Appendix D can serve as the basis for this section of the manual as well.

Establishes mechanisms and procedures for conducting level 2 and 3 evaluations.

What will be the mechanisms and systems used to gather data on learning, on attitude and behavioral changes? Appendix D provides some guidelines in this area as well.

Allocates responsibilities for conducting training evaluations:

Responsibilities for conducting various aspects of the training evaluations should be allocated among the training staff and other department managers as needed. All staff who will be involved in implementing the training evaluation program should receive information and/or manuals about the purpose of the evaluations, procedures, and his/her particular role and responsibilities.

Establishes procedures for implementing training evaluation program.

Begin to use the evaluation methodology as courses are conducted by the training staff and/or managers. Be prepared to revise and update it as needed.

d. Cross-training program

Once the NSDL department heads feel comfortable with the performance level of their staff members in current positions, a cross-training program should be implemented. This program would be first established within the departments. Then, cross-training between departments may be done.

Under the intra-departmental cross-training, the department head would establish the starting point based on the knowledge of each staff member prior to implementation of the cross-training. This knowledge would be determined by functions assigned to each individual's position. The department head would then rotate a certain number of functions between the staff members. The result of this rotation would be that each individual retains some known functions while taking on a few new responsibilities. Training is then done to teach the new

functions to each staff member.

Throughout this process, the department head maintains records on what functions have been assigned to which individuals over time, and how comfortable each person feels with assuming the responsibility of performing each function in the event of an emergency. The goal of the department is for each individual to eventually be fully trained in each aspect of the departmental responsibilities.

Once a department is fully trained and cross-trained, the department head may elect to do similar cross-training between departments. Under this type of program, agreements are made between department heads to switch a small number of staff members (usually one or two) to learn related functions of the other areas. This type of cross-training provides insight to these related functions and promotes better understanding among CO-workers.

The success of individuals in both types of cross-training programs should be recorded through performance reviews.

X. ACTION PLAN FOR IMPLEMENTATION OF TRAINING PROGRAM

The NSDL has set very ambitious growth targets. It will be difficult to manage this growth without the systems and structures in place to identify, recruit, maintain and train its staff. The time to implement the program is now. The program that has been outlined above can and should be implemented over the next year. To do this, the following tasks and schedule needs to be accomplished:

PHASE 1 (months 1 to 3)—Strengthen and extend the HRD foundation

The NSDL can begin the following tasks right away:

1. Finalize implementation of a systematic performance review process for staff. A well structured staff performance review process is critical not just to staff morale, but to the on-going task of identifying and responding to staff development and training needs. NSDL has recently developed formal review forms. Part of the implementation process needs to be training management on the use of the forms and staff on what to expect under the review process. The review system will require revision as the organization grows.
2. Begin to track time spent on training (development and attendance) through the introduction of the concept time sheets and creation of specific codes related to different types of training to be used in recording time on timesheets. This data will be entered to a database to support future analysis of time spent on training, related costs, and tracking enrollment/courses completed by individuals.
3. Develop a system for outsourcing (as outlined in Exc. above), including the development of tender requests documents, policies regarding negotiations with and contracting with vendors.
4. Development of a program for the Business Partner Inspections staff. The number of business partners is expected to grow quickly, and this will in turn require rapid expansion of its current BPI staff. Maintaining the integrity and reliability of the process requires the development of a training program. The HRD manager must work closely with the management of this department to fully develop the training curriculum (the 4 courses identified in section VIII.d) for this department quickly. The FIRE project suggests that this be done by outsourcing, which will mean the NSDL must develop procedures for identifying, negotiating and contracting with vendors. A tender document will then be created for Business Partner Inspections training based on training syllabus. The tender notice is then issued to potential vendors. Selection and negotiation of the contract with appropriate vendor will be based on the responses to the tender document.

5. Develop a system for evaluating the results of all training. This includes both internally developed and outsourced programs.
6. Implement the Train-the-Trainers program for the Issuer-Interface Marketing and the HRD staff. This program is outlined in Appendix E. It should be noted that the program has been developed by PW in modular form. This accommodates customization of the training session based on the unique needs of NSDL. PW FIRE can work with NSDL to implement this.
7. Develop HRD procedure manuals as related to training.
8. Improve induction program. This would include:
 - Preparing a short (2 hour) presentation, based on the *Overview of Capital Markets* manual, to be held every 6 or 12 months (depending on the rate at which new staff are being hired) for all new entrants.
 - Adding the section on the role of the NSDL
 - Adding a short session on employee benefits
 - Begin preparation of an Employee's Manual with basic information on benefits, CE requirements, etc.

PHASE 2 (months 6-12)—Develop a full curriculum

1. Train staff in the new staff appraisal process.
2. Identify vendors for communications and writing skills courses and establish schedule for their delivery. Once the systems are in place to identify, assess and select vendors, and immediate needs for the BPI curriculum met, the HRD can go ahead and implement courses in written and verbal communication skills, as these are needs that cut across all departments.
3. Review results of training programs evaluations on an on-going basis.
4. Develop systems to track budgets and expenditures for each training program
5. Develop a central database system for tracking staff enrollment in courses. The HRD manager must be ultimately responsible for ensuring training opportunities are equitably distributed and staff training priorities are being met. To do this, there must be a central system that allows the HRD and the senior management to track enrollment and monitor staff training by individual staff member and on a department and

division basis.

6. Establish an organization-wide training committee. As has been stated in previous sections, training is not the sole responsibility of the HRD manager. The HRD department can coordinate, but senior management must ultimately be involved in the selection of courses and the establishment of training priorities and general curriculum design. A committee of senior managers that meets as part of the budget review cycle to consider course evaluation results, vendor quality and assess the overall curriculum on a periodic basis.

XI. CONCLUSION

NSDL management has made the decision to proceed with the development of an internal training program. This staff development program will benefit all employees which ultimately strengthens the general infrastructure of the depository.

The HRD will be responsible for the development of the training program which will include both outsourced and internally developed courses. Outsourced sessions may include training that is generic to all business and available through vendors as well as depository-specific training created by vendors under the direction of NSDL. Training sessions may be developed internally by the depository where the necessary resources are available and/or training is especially unique to NSDL. In this case, HRD should involve the appropriate members of the NSDL management team to develop the training materials.

NSDL's complete training program should cover general training needs of all staff members as well as department-specific sessions. It is recommended that general training include an expanded induction program that covers employee benefits at NSDL, an employees manual, and overview sessions on capital markets and NSDL's role as a service provider to the other capital markets organizations.

The general training segment should also include generic management training that develops management and employee relations skills such as general interpersonal and communication skills, employee motivation, subordinate development, team building, time and stress management, and an introduction to supervising/managing for those members of the management team that have no or limited experience in managing personnel.

Other management courses should be created that relate to the management of the depository business. Recommendations in this area include delegation, manpower planning, the NSDL performance review system, NSDL employment policies, and Indian employment laws.

Soft skill development for the general staff, not just management, should also be addressed. Courses in communication, teamwork, time management, and stress management are recommended.

NSDL's training program should also include a department-specific segment program. For purposes of this deliverable, the areas addressed were limited to Participant Interface, Issuer Interface - Marketing, Issuer Interface - Operations, and Business Partner Inspections. More specific training for these areas should include courses on customer service and development of communications, negotiating, and writing skills. Additional training for the Participant Interface and Issuer Interface - Operations staff should include problem analysis and solving techniques, use of the NSDL system, and corporate actions. Issuer Interface - Marketing would benefit from the "Train the Trainer" workshops. Business Partner Inspections staff needs to be educated in Indian securities law and regulations as they relate to the depository,

and would benefit from a general course to develop auditing skills.

A summary of all of the training recommended by PW may be found in Appendix B.

Recommendations have also been provided in this deliverable on how NSDL should implement a training program. Areas covered include diagnosing training needs, conducting training, evaluating training, and cross-training of employees. A detailed methodology for assessing training needs and a training evaluation methodology are provided in Appendices C and D respectively.

An action plan for the implementation of NSDL's training program has been developed by the PW consulting team. The tasks within this plan include:

- Developing a program for training on NSDL's performance review process.
- Introduction of time tracking and timesheets.
- Introduction of a system for tracking enrollment in training programs.
- Developing a tendering process for outsourcing training to vendors.
- Developing a Business Partners training program as a pilot.
- Developing a training-related procedure manual for HRD
- Developing a system for tracking training budgets vs. actual costs.
- Developing a general format for ongoing tenders to vendors.
- Conduction of at least one "Train the Trainer" workshop.
- The formation of an internal training committee that provides for the participation of appropriate members of the NSDL management team.

The NSDL management team needs to review and consider all of the recommendations and materials provided within this deliverable. The PW consulting team will then meet with NSDL to answer any questions, discuss ideas further, and make any necessary adjustments to the action plan.

Upon implementation of the action plan, the PW consulting team is prepared to directly assist NSDL in the development of the training-related procedures manual for HRD as well as conduct a "Train the Trainer" workshop. The consultants will also continue to be available for guidance as NSDL proceeds through the other steps of the implementation process. It is

anticipated that NSDL may begin working on some of the tasks immediately, and that the entire implementation process will be fully underway by January, 1998.

APPENDICES

- A. Meeting Attendees**
- B. Overview of Recommended Training Program Syllabus**
- C. Methodology for Assessing Training Needs**
- D. Methodology for Evaluating the Training Programs and Training Curriculum**
- E. Action Plan for Implementation of NSDL's Training Program**
- F. "Train- the- Trainer" Course Outline and Sample Materials**

APPENDIX A - MEETING ATTENDEES

National Securities Depository Limited

C. B. Bhave, Managing Director

Gagan Rai, Executive Director

Jayesh Sule, Assistant Vice President

APPENDIX B

OVERVIEW OF RECOMMENDED TRAINING PROGRAM SYLLABUS

Management Team Training

Induction Program

Management and employee relations skills

Generic Management Training

General interpersonal skills

Communications skills

Motivation of staff

Subordinate development

Team building

Time management

Stress management

Introduction to supervising/managing (as needed)

NSDL-Specific Management Courses

Delegation

- Manpower planning
- NSDL performance review system
- NSDL employment policies/Indian employment laws

General Staff Training

Induction program

“Soft” skills training

Communication

Teamwork

Time management

Stress management

Departmental-Specific Training

All topics under *General Staff Training*

Participant Interface

Customer service

Communications skills

Negotiating skills

Writing skills

Problem analysis and solving techniques

NSDL system use

Corporate actions

Issuer Interface - Marketing

- Communications skills
- Negotiating skills
- “Train the Trainer” workshops
- Writing skills

Issuer Interface - Operations

- Customer service
- Communications skills
- Negotiating skills
- Writing skill
- Problem analysis and solving techniques
- NSDL system use
- Corporate actions

Business Partner Inspections

- Indian securities law and regulations as related to the depository
- Audit skills
- Writing skills
- Interpersonal skills

APPENDIX C

METHODOLOGY FOR ASSESSING TRAINING NEEDS

Training Needs Assessment Methodology

I. Why Conduct a Training Needs Assessment?

A training needs assessment can provide valuable input for defining course objectives, and developing the outline, and materials to the course. The needs assessment allows participants and their managers to help shape the content of the course.

There are two types of needs assessment methodologies that can be used, depending on the potential audience and their level of experience. For junior staff (below managerial level), it is appropriate to use the *Four Step Process*. This process is used when participants are not fully aware of the knowledge, skills and attitudes required to perform their job.

The *consultative process* is used when the people receiving the training have a great deal of experience and understand what subject areas they need to learn more about, for example, directors and senior managers who wish to increase their knowledge in specialized areas. The Consultative Process assists the participants to define more clearly what they need to know.

II. The Four Step Process

This process includes the four steps outlined below:

Step 1: Identify the knowledge, skills, and attitudes needed to perform the job, either now or the immediate future;

Step 2: Identify what is already known by the potential participants;

Step 3: Identify the learning needs. This is the difference between the knowledge, skills and attitudes already possessed by the participants or to be acquired elsewhere and those needed to do the job;

Step 4: Select the learning needs which should be included in the training program.

Each of these steps is described in more detail below:

Step 1: Identify the knowledge, skills and attitudes needed to perform the job.

There are four primary sources for identifying the knowledge, skills and attitudes needed to do a particular job:

the participant - usually has the clearer sense of what he/she does or does/not understand;

the immediate supervisor - has the most direct understanding of the specific knowledge and skills required to do the job;

- the technical expert - brings a sizable amount of information and insight. This person is able to identify appropriate content areas and can often identify which are the most important.

the predecessor in the job - knows the practical realities of the job.

There are several information-gathering techniques that can be used to obtain and interpret the information which you need from these groups of individuals. The most common techniques include interviewing, hypothetical situations, focus groups, and surveys. These techniques are discussed in detail in below.

Step 2: Identify generally what is already known

The sources of this information are the same as in Step 1. In some cases, for example at entry level, this step can be performed quickly. It is necessary to be careful not to automatically assume that poor performance is caused by lack of knowledge or skills. It can also be the result of negative attitude, or lack of discipline on-the-job in which case no amount of skills training will help.

For example, if staff appraisals are not being completed on a timely basis, it could be because people do not know how to prepare them properly. This can be remedied by training. Alternatively, it could be because there are no office procedures for chasing outstanding appraisals, no information provided on which appraisals are outstanding, and so on. These types of problems are managerial and cannot be remedied by training people on how to fill out the forms.

Normally, information needed for Step 2 is collected during the information-gathering process of Step 1.

Step 3: Identify the learning needs.

To complete Step 3, start with the end results of Step 1 - the knowledge, skills and attitudes needed to perform the job. Take away the results of Step 2 - what the learners already know. The difference between the two represents learning needs.

This step is not a mathematical process, since there will be a range of existing knowledge, skills and attitudes among the individuals attending the course. At this point in the process it is necessary to identify critical skills and knowledge required and for patterns of knowledge and lack of knowledge which exist.

Step 4: Select the learning needs which should be included

III. The Consultative Process

A second way of doing a needs assessment is through the Consultative Process. This procedure is used when the people receiving the training have a great deal of experience and understand what subject areas they need to learn more about, for example, partners or technical experts who wish to increase their knowledge in specialized areas. The Consultative Process is one of assisting the participants to define more clearly what they need to know.

IV. Information-Gathering Techniques

Interviewing

This is probably the most efficient and effective method of gathering information for a needs analysis. When interviewing, plan two things in advance - who specifically should be interviewed (according to the above categories) and what questions to ask. It is better to interview a few people in depth than several people superficially.

Given that only a few people will be interviewed, select a group of people who can represent some of the differences that will be present among the individuals such as length of time working with the firm, amount and type of experience, etc.

Deciding what questions to ask requires skill and careful thought. First, questions should be phrased appropriately to get the information that is needed. The interviewer needs to extract as much information and as many opinions as possible from the people interviewed. For this reason, it is important to ask *open-ended questions* and enter into a dialogue. For example, the following question is open-ended:

- *What are some of the things you think people need to know about researching and resolving problems related to depository transactions?*

Sometimes the interviewer may want to ask a few *closed-end questions* to check the information that's already been gathered or learn more specifics about particular subjects. For example, the following questions might be asked:

- *Do you think all participant interface staff need to know about how to research and resolve problems related to depository transactions?*

In terms of general questions that might be asked to gather information about the knowledge, skills and attitudes needed to do a job, the following questions might be appropriate:

- *What is important for the Issuer Interface staff to know about negotiations?*
- *What are some of the things they are going to have to do on the job?*

Since technical experts like to talk about their subject matter, these questions are often sufficient to gain enough information. Occasionally, probing is needed. Questions such as the following may help you probe specific aspects:

- *Describe more fully what they will need to know or be able to do on the job.*
- *Give me some examples of what they will be doing.*
- *What else do they need to know?*
- *What do they need to know, not only to do their jobs, but also to communicate with clients and supervisors?*

When interviewing potential participants, these questions may be useful:

- *What do you think would make you feel more confident on this job?*
- *Can you describe the times in your work when you felt that you needed more information or experience to do the job properly? Can you describe what seemed to be lacking?*

You must also clear up any ambiguities. For example a supervisor might comment:

- *NSDL system skills are inadequate.*

This could refer to written or telephone communications with clients, communications between supervisors and staff, etc. When trying to find out more specifically what is meant, it may be useful to ask the following questions:

- *To what degree do they (you) already know this?*
- *Have they (you) done this kind of thing before?*
- *Have they (you) had any similar job responsibilities in the past?*
- *Have they (you) had any other training related to this subject?*

When trying to select the priority learning needs from the abundance of content which has been suggested, these questions may be useful:

- *Why do they have to know this?*
- *If they knew this, how would it help them on their job?*
- *If they didn't know that, how would it affect their work?*
- *Is there another way they could gain this knowledge more efficiently than through a course?*
- *Is there anything else the learner needs to know?*
- *If he/she were given additional responsibility, would this amount of information and skills be sufficient to carry out the new assignments?*

During the Consultative Process, you will need to ask broad questions which offer scope for exploring and expanding a wide variety of subjects, such as:

- *What additional knowledge would have helped you in your work? Can you give some examples?*
- *What do you think would be useful for you to know more about?*

- *Are there other areas that you think would be helpful to you?*

Hypothetical Situations

This is the second method that is used to gather information. Presenting a hypothetical situation is actually a variation of the interview process. In the course of a personal interview, you would set up a hypothetical situation and ask the respondent to describe what he or she would do. The situation must be carefully constructed ahead of time. It may be based on actual incidents that have occurred in the past.

For example:

You are responsible for conducting an inspection. This is a new client and represents an account that the NSDL values a great deal. Your staff has found a series of irregularities in their record keeping. What steps would you take?

The hypothetical situation is most powerful when it is used to determine the extent to which the potential participants already have the information and skills required for their jobs. It is also a tool that can be used to help participants define some of the information and skills which are appropriate for the work and jobs which the participants will be doing.

Surveys

A third method of gathering information is by surveys. These can be useful when a broad cross-section of views is required.

A survey is far less personal and less flexible mechanism than an interview. It tends to gather more information which can be quantified, but it tends to yield superficial information. Surveys which ask for opinions, or have open-ended questions, require much more time to complete. They also require a great deal of time from the course developer for meaningful analysis. Surveys which are close-ended are easier to conduct and analyze, but they lack depth.

When you conduct a survey, avoid listing, or asking respondents to select, broad topics. Instead, list or ask for specific job-related tasks the participant will have to be able to do. For example, the topic "Business Partner Inspections" is too broad to be of any help to you in designing a course. Find out exactly what job activities will be expected, for example, "documenting inspection findings".

Surveys should be short and simple. It takes considerable time to design a survey because the training developer will not be present to explain what the questions mean to the respondent. It is a good idea to have several people review the draft survey to make sure the questions are not confusing or ambiguous. Here are some guidelines:

- keep it short;
- make sure it can be easily tabulated and analyzed;
- work the questions so that they encourage a response; and,

- have someone check it before distribution to make sure the questions are clear.

Surveys should always be supplemented with at least some interviews preferably before and after the survey, so that the information has more depth and focus.

Which type of methodology should be used?

As a general rule, interviews, using hypothetical situations where appropriate, is the single most effective means for gathering data for the purpose of diagnosing training needs and identifying learning objectives for specific courses. Survey results can be quantified more easily, but the information they yield is not necessarily any more accurate. Moreover, the response rate when conducting interviews is usually better, and the overall picture you are likely to get more reliable.

When should you use these tools?

When developing a new course, whether outsourced or in-house, the four-step process or the consultative process should be used in their entirety. The same applies to a series of new courses being developed to replace or supplement an existing program (e.g. the program for the Business Partners Inspection staff, consisting of individual courses on auditing, on Indian securities laws and regulations related to the depository and writing and verbal communications skills). Note that if you are outsourcing the course, you can often outsource the training needs assessment part, requiring the vendor conduct a thorough review of existing needs to ensure the course content and materials are relevant.

In addition, every year, individual courses need to be re-assessed by the HRD manager in collaboration with senior management, to ensure the content is still valid and the training needs being addressed in the course still relevant, given the participants changing tasks/responsibilities. This need not be a hugely complex undertaking, but it should be systematic. Among the key questions to address in this periodic evaluation:

- Has the job description of the course attendees changed since the last presentation?
- Have the organization's strategic plans changed in a way that affects the contents and priorities of the training?
- Have there been any technical and/or policy announcements that impact the content of the course (e.g. a new software package, changes in regulatory requirements by SEBI?)
- Did the participant evaluations raise any concerns regarding relevance of the content, omitted content etc.?

APPENDIX D

**METHODOLOGY FOR EVALUATING THE TRAINING PROGRAMS AND
TRAINING CURRICULUM**

NSDL Training Program

Training Evaluation Methodology

By developing and implementing a training evaluation methodology, the NSDL can help ensure its training program is aligned with and supports the strategy of the organization. An organization's training program can be evaluated at four levels. It is up to the NSDL to decide its overall strategy for conducting levels 1,2,3 and 4 evaluations of its individual courses and its overall training program, based on management's expectations of its HRD department and its view of the role of training in the organization. The purpose of this appendix is to provide the HRD department staff with guidance regarding the implementation of training program evaluation systems.

Section 1 provides HRD staff with guidance on conducting the most common and likely to be used type of evaluation: level 1, focusing on whether the courses being offered are meeting standard training program quality criteria. Section 2 provides guidance regarding the conduct of levels 2, 3 and especially level 4 evaluations. Section 3 discusses how to pull together the information from various evaluation initiatives into an overall assessment of the organization's training program.

1. Level 1 Evaluations: Controlling Course Quality

Most organizations require that 100 percent of all courses be evaluated at this level.

The HRD manager is responsible for establishing standard quality measures for every course being offered by the organization, either in-house or by outside vendors. The HRD manager must also develop the methodology for monitoring all courses to ensure course quality criteria are being met. The standard means for monitoring course quality at this level is by questioning as many of the course participants (and ideally all course participants) as possible to determine whether:

- the course provided adequate and useful information on the topics that were addressed;
- the topics addressed are relevant to the participants' current or anticipated job;
- the course materials for each course are updated and apply to the current procedures and systems being used; and
- the instructors were reliable, capable and informed.

This information can be gathered through written course evaluations/questionnaires and/or face-to-face interviews undertaken at the conclusion of the course.

Written course evaluations are usually administered at the conclusion of the course. If the course is longer than three days, participants should be asked to complete evaluations every second day throughout the course, since they will be more likely to comment constructively

on specific course modules if these are still fresh in their minds.

It is helpful to use a standard course evaluation form which can be tailored for each course. Keeping the evaluation form relatively uniform from course to course enables organizers to monitor and evaluate the quality of each session and each vendor program over time more effectively. The questionnaire format should allow for the collection of both quantifiable data and qualitative comments.

Course evaluations should address course content, materials quality and instructor ability and adequacy of course logistics (a sample evaluation form can be found at the end of this appendix, as Sample 1):

a. Course Content should measure:

- the extent to which the course met its stated goals/objectives
- the most and least useful parts of the course
- relevance for current and future jobs
- length of time for and depth of materials covered
- other topics that should be covered in the course
- whether they would recommend the course to colleagues
- the appropriateness of pre-course readings and/or background materials provided
- other related comments

Information on participant perceptions regarding course content help course organizers keep the course relevant and responsive to evolving participant needs and concerns. But interpreting course evaluations is something of an art. Even if none of the materials changes and the instructors teach exactly the same way every time, results are bound to vary, sometimes very significantly, depending on the background of the participants, and even due to entirely external events. Course organizers must try to separate what are long-term trends regarding relevance of course content from course-to-course variations based on unique participants or environment characteristics. This is why collecting time series data is important, and why having relatively uniform questionnaire formats for collecting these data is imperative.

b. Training Methodologies and Instructors should measure:

- the appropriateness of training methodologies employed
- the ability of instructors to present information clearly and knowledgeably
- the ability of instructors to lead discussions and answer questions

The best material will be nearly worthless if it is not delivered appropriately. If instructors are from within the NSDL, this section of the evaluation can provide invaluable feedback and should be used to coach internal instructors. If the instructors are hired from the outside, this information can help management decide who to keep and who to discard as instructors. The information can also be used to refine the teaching approaches used in specific situations. Perhaps the material is good and so is the instructor, but the section of the course is less effective than it could be because it

lacks sufficient examples. Adding exercises and/or case studies might help liven the presentation.

In short, the information from the evaluations can indicate whether to:

- add real-life examples to explain theoretical material;
- simplify the examples, exercises, case studies being used;
- ask more questions of the participants to ensure that they understand a particular concept before moving on;
- refrain from certain behaviors that detract attention from the speaker, and so on.

c. *Course Logistics* should evaluate

- the effectiveness of existing methods for announcing courses and registering participants
- the appropriateness of accommodations/conference facilities provided
- the quality of the catering
- helpfulness of staff
- other logistics criteria

The importance of logistics should not be underestimated. The best courses, in terms of content, can fail to gain participant approval because the acoustics were poor, the room was stuffy, the staff unhelpful, the materials not provided in a timely fashion, and so on. The results from the survey should indicate to the course administrator areas where course logistics can be improved in the future.

d. *Background of the Participants (if asked for and provided by the participants):*

- departments where they are employed
- level of experience/position
- years of service with the company

*(Note: It is **not** standard procedure to ask the participants to identify themselves by name on the evaluation, since this may discourage them from being truthful in their responses.)*

This information is useful to course designers and instructors because it helps clarify participant responses to certain questions on the evaluation. For example, what if someone responds that a course on marketing (designed primarily for members of the Issuer Interface Department) was **not** relevant to his work? Finding out that the only response of this type comes from a member of the Participant Interface Department, who is not part of the primary intended audience, should indicate to the HRD manager that there is probably no need to re-assess course content at this time.

Participant Interviews may be used to complement written questionnaires. Interviews are generally more likely to provide detailed feedback than written evaluations, in part because interviewers have the opportunity to ask participants to explain the reasoning for their

comments. Remember, however, that interviews are rarely substitutes for written evaluations.

Participant interviews can be conducted either for the group as a whole, for sub-groups of participants, or one-on-one with individual participants. For the sake of confidentiality and openness, interviews should not be conducted by the course instructors (in fact, they should absent themselves from the room during the interview process). The interview should be conducted by someone who is familiar with the objectives of the course, the training process in general, and the methodology for conducting participant discussions.

The results of the interview process should be recorded in a memo by the interviewer at the conclusion of the discussion and presented to the HRD Manager for inclusion in the course evaluation.

2. *Higher Level Evaluations*

2.1 *Evaluations at Levels 2 and 3*

Level 2 evaluations, which seek to measure learning, are relatively simple. Evaluations at this level are usually in the form of a pre- and post-course tests. By comparing the percentage of correct responses the course organizers are able to identify what participants learned about a specific subject. But evaluation at level 2 is not appropriate for every course. It is usually reserved for only those courses that focus on training for very specific skills set (e.g. learning a new procedure or how to use a new software program). The decision of which programs to target for level 2 evaluations will depend on the management of the NSDL, and the nature and types of programs that are being offered.

Evaluations at a level 3 are more involved. Level 3 evaluations require measuring *performances* on the job, where many variables are also affecting that performance. Gathering data for this type of evaluation is often as difficult as gathering information for level 4 evaluations, and often organizations simply lump these two types of evaluation exercises together.

The best way to gather data for these types of evaluations is to go directly to the trainees and their managers. For example, before the course starts, the HRD manager can ask the participant and his/her sponsor to get together to discuss expectations regarding the concepts and skills will be gathered from the course, as well as how and when these skills and concepts will be applied upon returning from the course. Several months (usually 3-6 months) after completing the course the HRD manager can send another letter to each course participant and his/her sponsor or manager, this time asking them to indicate how and when the new concepts were applied and the impact these had on the overall performance of the participant and the department. While this information is subjective, it is also a worthwhile exercise to undertake with at least some of the courses. It reminds both managers and staff that training has a cost and that its success depends not just on what was learned but, how it was applied.

2.2 *Level 4 Evaluations*

Training should contribute to the bottom line and the HRD department should be accountable

to senior management, as are all other functions of the organization, for its expenditures. If training is going to be an effective tool of management to create competitive advantage, its results must be measurable. Level 4 evaluations seek to do this.

Level 4 evaluations require relatively detailed analysis of the costs and benefits of the program. The results of this evaluation are usually shown as the return on the investment on the training program—the rupee value of the benefits of training over and above the costs of the training itself.

Performing cost/benefit analysis requires developing and implementing standard practices for assessing costs and benefits. Although most costs can be captured relatively easily using the guidelines provided below, assessing and assigning a monetary value to benefits is not quite as straightforward. Difficulties arise both in quantifying benefits and attributing those benefits directly or exclusively to a training program.

But conducting these types of evaluations for at least some percentage of the program is worthwhile because:

- it keeps the HRD department accountable to management
- it helps keep course objectives and content lean, relevant and practical, with a focus on the monetary results of the training rather than just the acquisition of information
- produces better commitment from the trainees and the management, who become responsible for helping to demonstrate the impact of the training and not just filling seats
- provides the HRD staff solid data on course effectiveness with which to make decisions regarding the overall training curriculum and also fine tune course design, course content, etc.

DEVELOPING A STANDARD COST ASSESSMENT

Assessing the costs of a training course should be done using a uniform and standardized approach. The NSDL HRD manager should work with senior management to establish mechanisms for routinely collecting information on each of the key components of training program costs as indicated below.

A basic formula for assessing training costs is:

$$\text{Out-of-pocket Costs} + \text{Total Salary Costs} = \text{Full Cost}$$

Out-of-pocket costs are those costs for which money is paid to a service provider. This includes, but is not limited to:

- rental of training rooms and equipment
- catering for coffee breaks and/or meals

- production and reproduction of materials
- supplies such as flip chart pads, pads and pens for participants, name tents, etc.
- hotel rooms, per diems and/or transportation to off-site locations and/or
- contract amount for outside training providers.

These expenses are not difficult to track on a per-course basis. However, with the exception of contracts for outside consultants, which also include their time, these items account for not more than 10% of the total cost. The bulk of the costs associated with any training program come from salaries—of both in-house instructors and participants.

Salary costs can be calculated using the formula:

Direct Salary Costs x Multiplier = Total Salary Costs

When calculating *Direct Salary Costs* you should be sure to include the prorated salary costs for a) all in-house training providers, including those involved in course design, course development and management, and instructors, and b) participants.

Salary costs are calculated in the same manner for training providers and participants. Both costs need to be prorated. For example: a training participant earns \$25,000 per year, is entitled to two weeks of vacation, and will attend a training course for 2 days. The salary cost for this participant to attend the 2 day course can be calculated as follows:

Annual Salary:	Rs250,000
Vacation time:	2 weeks
No. of hours worked/year	50 weeks x 40 hours per week = 2,000 hours
Salary per hour:	Rs250,000/2,000 = Rs125.00 per hour
Cost to attend the course:	Rs125.00 per hour x 16 hours (2 days) = Rs2000

In terms of calculating the costs for course developers to prepare the course, these costs should be allocated in two ways. First, the total development cost should be factored into the annual training budget in the year the course is developed. However, when calculating costs on a per-course basis, the development cost should be allocated across the number of times that the department intends to offer the course. For example:

Course development:	Rs100,000
No. of sessions	2 times per year x 4 years = 8 sessions
Per course development cost:	Rs12,500

Calculating the development cost on a per course basis is a more accurate measure of the cost and provides management with better information for comparing the cost and benefits of one course versus another.

The **multiplier** includes costs to the firm, such as fringe benefit costs and overhead costs (for rent, utilities, office equipment, legal and accounting services, etc.), which are not directly attributable to the training course but must be allocated across all activities of the firm. The multiplier is a firm-wide calculation, meaning that it encompasses all of the firm-wide indirect costs and is applied to the salary of any employee of the firm when calculating the

cost of a firm project or activity. The HRD Manager should work with the accounting department to determine what is the appropriate factor to use. For example:

Salary cost of one participant to attend the course:	Rs2000
Multiplier	3.0
Total Salary Costs for the participant to attend course:	Rs6000

Sample 2 at the end of this appendix provides a sample of a spreadsheet used to calculate the costs for a technical skills course.

Obviously, to calculate the full costs of delivering training, the HR department must have mechanisms in place to account for people's time. How else will you know how much time was spent by staff designing a specific course or the time spent by an instructor preparing for and delivering a course? This is why in many organizations require the HR department, if not the entire firm, to keep time sheets, enabling staff to "bill" their time on an hourly basis to a specific course, or "project" (e.g. time spent developing a manual for calculating costs and benefits of training, time spent delivering a course on marketing techniques). People in the organization may resist keeping time sheets (e.g. "it means that senior management does not trust us"). But the fact is that this is the only practical means that exists for ensuring that the costs are being assessed correctly to each HRD activity. A sample of a time sheet is provided at the end of this appendix (see Sample 3).

DEVELOPING A STANDARD BENEFIT ASSESSMENT

Measuring benefits from a training course means establishing how training contributed to either a) increases in the NSDL's revenues or b) decreases in NSDL's expenses. This requires gathering performance data. By comparing the costs of inadequate performance prior to training with the reduced costs or better performance after training we can calculate the return on the rupees invested in the training program.

Although training costs are best calculated by HRD managers, the benefits should be identified, quantified, and converted to monetary values by management (e.g. the trainees supervisors, the department heads, and so on). Each department head or supervisor must articulate to the HRD manager the key problems they hope to address with training, and the expected results, in terms of performance, from the program.

In particular, the HRD manager, in collaboration with line managers involved in the identification and development of the training program, must:

- Step 1: identify the issue or problem to be solved
- Step 2: define the operational results that you want to track, and what are the benefit measures (how is the work currently being done, what are the steps, how much time does it take, who is doing it, what are the salaries)
- Step 3: obtain the pre-course data
- Step 4: obtain post-course data (within 3-6 months after course is completed)

- Step 5: calculate the benefits

Benefit measures (see Step 2) should ideally be tracked and captured in monetary terms. The table below provides possible benefit measures according to four major categories: time savings, better quantity, better quality, and personnel. All of these measures translate into either increased revenues or decreased expenses to the firm.

To Measure Benefits in... Consider Tracking

Time Savings	Call-to-close ratio Amount of overtime Time to reach proficiency Supervisory time needed
Better Quantity	Size of average sale Sales volume Increased output Amount of repeat business
Better Quality	Rejection rates Amount of waste Accuracy of orders and information Number of customer complaints Number of lost customers Adherence to procedures
Personnel	Level of absenteeism; tardiness Level of turnover Number of grievances Cost of new hires

Capturing the data for assessing these benefits might require using a variety of mechanisms available to the training manager, including:

- **participant interviews:** in one-on-one interviews, participants can provide accurate information in terms of how they conduct their job, the steps taken, the amount of time spent on individual tasks, etc. They can also provide valuable information in terms of their attitudes towards their job, supervisors, senior management, the firm's strategy, etc. This information may help to confirm the nature of the problem that the training is intended to fix, or help to justify a soft-skills training program where changes in behavior are measured rather than costs.
- **supervisor/manager/coach interviews:** supervisors are a good resource for obtaining a broader perspective of a particular department's performance and should be able to provide information such as number of rejects, amount of waste, average length and number of customer service calls, etc.
- **focus groups:** groups of employees are brought together and "interviewed" by a training manager who acts as the group facilitator. Focus groups are appropriate, for example, for

mapping process flows where several individuals perform various steps in the process.

- **targeted surveys:** written questionnaires or surveys can be distributed to training course participants before and after their participation in a course. Surveys can ask participants to provide information on performance indicators that are tied to benefit measures, or they can be asked to provide information that reflects their knowledge of a particular area or changes in behavior and/or attitudes. It is also possible to request that participants meet with their supervisor or coach and complete the survey together. Targeted surveys might also include surveys that are sent to employees that have NOT participated in the training course. This group can be used as a “control” group whose responses are compared to the participants’.
- **random surveys:** written questionnaires or surveys can be distributed to randomly-selected groups of employees, managers, etc.
- **HR information:** training managers can use data available from the HR department to track personnel data such as the level of absenteeism, turnover, number or grievances or other HR-related data. The HR department also collects, through exit interviews, information on employees leaving the organization which can be useful in the design of programs to address staff turnover, for example.

APPLYING COST-BENEFIT ANALYSIS TO DIFFERENT TYPES OF TRAINING PROGRAMS

Level 4 or evaluations of the cost-benefit ratio of training are the most difficult, time consuming and therefore costly to implement. Less than 10 percent of all courses can and probably should be submitted to this type of evaluation process.

Which 10 percent should be submitted to a level 4 type of evaluation? There are no hard and fast rules. Generally, courses that are offered several times a year and/or are required of a large number of employees represent a significant expense and are therefore the ones that are usually targeted.¹ level 4 assessments should not be conducted for training that does not affect observable outcomes—e.g. training designed to change attitudes.

Training programs for employees whose jobs have a well defined and quantified expectations (standards, quotas, goals, like sales goals or quotas for the Issuer Interface-Marketing Department) are the most appropriate ones for measuring return on investment since performance measurements exist already or can be easily set up. On the other hand, cost-benefits analyses of training for supervisors, managers, technical experts and others for who performance systems are not established are much more difficult to undertake. If a cost-benefit assessment of such groups must be done, the responsibility should be with them to generate the pre- and post course data on performance expectations and contributions.

¹ On the other hand, there are some courses that are offered to all employees several times a year and which are not necessary candidates for a level four evaluation. For example, courses orienting new employees or courses on retirement planning or benefits). The benefits of such programs are virtually impossible to capture, and in any case the organization offers them without any expectation of any tangible return on the investment.

Another question that often comes up is: what is the appropriate timing in terms of conducting a cost benefit evaluation? The rule of thumb is that for most results, the managers should allow 3 to 6 months, and for many operational results the waiting period may be even longer. Even if people begin using their new skill immediately after the training program concludes, it may be several months before any results show up. Moreover, certain operational results are somewhat seasonal in nature, so it may be important to allow for seasonal variations, and compare like quarter (e.g. 1st quarter data for 1997 with 1st quarter data for 1998). In short, it may be often appropriate to wait 12 months.

Examples of cost-benefit analyses applied to various types of training program are provided below:

1. Cost-Benefit Analyses and Short-term Technical Training. Cost-benefit analyses are easiest to perform on courses designed to address a very specific technical skill shortfall, e.g., training on how to use a new job-related software package, or in preparing written communications, etc. (see Example 1 in Sample 4). To conduct a cost-benefit analysis of this type of program, the HRD manager should:

- identify issue/problem to be solved and the impact on the bottom line of addressing this problem: e.g. employees need to learn a newly-installed software package for entering trade data and by doing so will cut by X percent the amount of time required to update records.
- define the benefit measures: how much time would be spent/lost be determined if the course is offered versus having each employee learn from the software manual? will a lack of training impact performance in other ways (frustration, loss of morale, leaving the job)? In terms of this particular training program, benefits might include decreases in expenditures from:
 - ⇒ reduction in the amount of time spent learning the software per participant (48 hours w/out training less 16 hours for training 24 hours saved per participant)
 - ⇒ reduction in the amount of time correcting input errors (40 hours w/out training to 16 hours w/ training = 24 hours saved per participant)
- obtain pre-course data: number of employees that will use the program, their salaries, etc.
- obtain post-course data: within 3 months, collect data on employees ability to use the program; amount of time correcting input errors
- obtain or calculate benefit results: once the training course is completed.

Example 1 indicates that the benefits of this training course (offered one time to 15 participants) would exceed the costs by Rs169,900.

2. Soft-skills training is designed to help employees learn how to perform or improve their performance of non-technical tasks, such as conducting meetings, completing

employee evaluations, customer relations, etc. In many instances the expected results are easily quantifiable. Example 2 (provided in Sample 4 attached to the end of this appendix) illustrates the cost/benefit analysis for a 5-day management skills seminar developed and conducted by an outside consulting firm. The procedure used to gather and analyze the data is as follows:

- identify issue/problem to be solved: the firm has averaged a 25% turnover rate over the past two years. Exit interviews suggest that those leaving are frustrated by the lack of direction from their supervisors, and because criteria for evaluating staff and making promotion decisions are not clear. The firm wants to reduce turnover by providing managers with the skills they need to motivate, direct, and provide constructive feedback to their staff.
- define the benefit measures: In terms of this particular training program, benefits might include decreases in expenditures from:
 - ⇒ reduction in the amount of turnover of staff employees from 25% to 15%
 - ⇒ reduction in the amount of turnover of managers from 25% to 10%
 - ⇒ in support of achieving these quantifiable measures, management also wants to track related job-satisfaction measures which are associated with turnover and satisfaction with the performance of the managers. These results should be a component of the turnover measure, and include:
 - * compliance with completion requirements of employee evaluations (from 70% to 90%) as a result of training managers on how to fill them out and why it is important
 - * decrease in the number of complaints from employees regarding the nature or timeliness of evaluations received from 15 complaints to 5
 - * 20% increase in the number of favorable comments managers receive on upward evaluations completed by employees
- obtain pre-course data: verify turnover figures and data related to evaluations, calculate or verify amount to replace an employee
- obtain post-course data: verify turnover figures and data related to evaluations, calculate or verify amount to replace an employee
- obtain or calculate benefit results: once the training course is completed.

Using this analysis, Example 2 indicates that benefits from the program exceed costs by Rs.810,700. However, in assessing the benefits of training courses, particularly

soft-skill courses. HRD Managers need to be careful about attributing changes in the benefits measures only to the results of the training courses, rather than other additional factors that might have contributed to the change. For example, if at the same time that the course is delivered, management introduces a new compensation plan that effectively raises employee salaries 15%, commensurate with the market's average salary, did this plan also have an impact on reducing turnover?

It may not always be possible for the training manager to identify quantifiable measures associated with soft-skills training. For example, training in how to communicate clearly or give effective presentations, may not be easily quantifiable in terms of measuring the benefit or associating the benefits with increased revenue or decreased expenses. Not being able to do a cost benefit analysis does not necessarily mean, however, that the firm should not offer these types of courses. Instead, benefits from these types of programs can be assessed by attempting to determine if the training has in some way changed the behaviors of the participants. Questionnaires, surveys, and interviews with the participants and/or their managers before and after the training can help to determine if behaviors have in fact improved.

3. Educational or developmental learning is not designed to address an immediate skill short-fall, but to provide employees with a) an opportunity to improve their skills for future identified jobs or b) an educational foundation that is not specifically job-related but will help employees to think through and evaluate problems, devise solutions, become pro-active in preventing problems from occurring, etc. College degree programs, continuing education courses, and professional certification courses are included in this category.

This type of training is the hardest to measure in terms of benefits and costs because it is almost impossible to identify benefit measures that are directly attributable to the educational program. This does not mean that employers do not choose to offer these types of educational opportunities to their employees. The types of benefits that employers seek to achieve through these types of programs include:

- increased competitiveness for the firm through employee initiatives to develop, create, and sell new products to the market
- increased ability to understand and apply broad-based business concepts
- increased ability to understand the dynamics of the firm's industry and the firm's position within the industry
- increased performance in working with and solving problems using increasingly complex production equipment (computerized production lines, information software, etc.)
- increased job-satisfaction by the opportunity to further one's education
- decreased turnover for staff that are taking advantage of educational programs

If the company is not in the process of instituting other changes, for example in product mix, market strategy, R&D. etc., then management may choose to measure benefits by monitoring changes in specific company performance indicators. However, it is rarely the case where increases in revenues, for example, can be directly attributed to educational programs. It is more likely that an educational program will only partly contribute to changes in the company's performance.

CONDUCTING AN EVALUATION OF THE TRAINING CURRICULUM

On an annual or biannual basis the training department should conduct an evaluation of the entire training curriculum. A broad program-wide evaluation provides an opportunity for the department to step back from the day-to-day activities and assess whether the curriculum is effectively meeting the needs of the employees and the organization as a whole. Key questions to try to address at this time include:

- *Are the curriculum offerings aligned with the firm's strategy?* Training should never take place in a vacuum. It is a function of the organization's strategy as well as its goals and objectives. The HRD manager is responsible for ensuring that the training curriculum reflects and supports the current strategy. Are the course offerings promoting the right values, the right orientation and management philosophy? Are the programs contributing to the achievement of organizational goals and objectives?
- *What new course offerings may be required* in the coming year; when should they be scheduled?
- *What is the best use of training staff resources?* How and where are training staff spending their resources; is this the most effective use of training resources, are enough resources being spent on program development and revising outdated course materials? For example, should a course that is being offered every month to 10 employees be offered every other month to 20 in order to allocate the resources to updating the course?
- *What should be the budget for the next year?* Information from the cost/benefit analyses can be useful in terms of preparing the budget based on previous expenses.

Cost benefit analysis is but one of the tools used to conduct this evaluation. We have tried to indicate that evaluation of the training curriculum should proceed at several levels, from ascertaining whether the participants are satisfied with the quality of the courses to assessing whether and how the programs contribute to organizational effectiveness and profitability. Moreover, the HRD manager must keep track of evolving staff training needs in terms of what is being identified through the staff appraisal and staff professional development planning process (see the section on training needs assessment). It is the responsibility of the HRD manager, in consultation with the senior management of the NSDL, to develop an evaluation strategy that keeps the training curriculum fresh and relevant given changing organizational strategy, goals and priorities.

APPENDIX E

ACTION PLAN FOR IMPLEMENTATION OF NSDL'S TRAINING PROGRAM

Graph 1

Overview of the Proposed Action Plan for Implementation

Task	PHASE 1			PHASE 2		
	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6
1. Finalize performance review process a. Develop training program on use of forms, staff expectations, etc. b. Train management c. Train general staff <i>(primary responsibility: HRD)</i>	█	█	█			
2. Introduce time tracking through time sheets a. Create identification codes for training b. Implement use of timesheets with codes c. Introduce database system for tracking training enrollment from timesheets <i>(primary responsibility: HRD)</i>	█			█		
3. Develop tendering process for A46 outsourcing training <i>(primary responsibility: HRD)</i>	█					
4. Develop BPI training program as a pilot a. Develop scope (based on the syllabus) b. Develop & Distribute tender document/get bids c. Evaluate/select/negotiate d. Deliver training e. Evaluate training results <i>(primary responsibility: BPI Department)</i>	█	█	█	█		
5. Develop system for evaluating all training <i>(primary responsibility: HRD)</i>		█	█			
6. Implement the "Train-the-Trainers" program <i>(primary responsibility: HRD)</i>		█	█			
7. Develop HRD procedures manuals related to training <i>(primary responsibility: HRD)</i>		█	█			
8. Improve induction program a. Add segment on benefits, expand capital markets overview, create employees manual, etc. b. Implement for new employees c. Offer to current staff <i>(primary responsibility: HRD)</i>				█	█	█
9. Develop system for tracking training budgets vs. actual costs <i>(primary responsibility: HRD)</i>				█		
10. Develop tenders for other training a. Develop scope (based on the syllabus) b. Distribute tender document/get bids c. Evaluate/select/negotiate with vendors d. Deliver training (ongoing) e. Evaluate training results (ongoing) <i>(primary responsibility: HRD)</i>				█	█	█
11. Establish training committee <i>(primary responsibility: HRD)</i>					█	

APPENDIX F

"TRAIN-THE-TRAINER" COURSE OUTLINE AND SAMPLE MATERIALS

WORKSHOP OUTLINE FOR THE NSDL TRAINING THE TRAINERS

Course Description:

This course targets those responsible for developing and implementing internal training courses for the staff of the NSDL. The course assumes that the participants will be involved in training staff members on one or more topics that have been identified in the NSDL Training Syllabus. The course helps to strengthen training and presentation skills. It also give participants an opportunity to practice tailoring presentations to different target audiences.

DAY 1

- 10:00-10:15** **Course Introduction**
- 10:15-10:45** **Module 1: Review the NSDL Training Syllabus**
- 10:45-11:45** **Individual Exercise**
Deliver a 5 minute training session on a topic of your choice
- 11:45-12:00** **Break**
- 12:00-13:15** **Module 2: Elements of an Effective Presentation**
- * Planning, Preparation and Practice
 - * Teaching Aides
 - * Participation
 - * Structure of effective presentations
 - * Basic presentation skills
- 13:15-14:15** **Lunch**
- 14:15-15:30** **Module 3: Training Logistics**
- * Developing an agenda
 - * Packaging materials
 - * Publicity
 - * The site
- 15:30-16:15** **Group Exercise**
Prepare a presentation for a group of employees on the topic of XXX. Be prepared to make presentations the following day.
- 15:15-16:30** **Break**
- 16:30-17:30** **Group Presentation**
One of the groups will be asked to present to the rest of the class. Other participants will critique the presentation, followed by a debriefing session.

DAY 2

10:00-11:30

Module 4: Teaching Methodologies

- * Problem sets/exercises
- * Role plays
- * Videos
- * Computer simulations
- * Case studies

11:30-11:45

Break

11:45-13:00

Module 5: Before and After the Training Course

- * Training Needs Assessments
- * Training Program Evaluation

13:00-14:00

Lunch

14:00-15:15

Module 6: Outsourcing Training Courses

15:15-15:30

Wrap-up

NSDL Train-the-Trainer Workshop

Module 1: Reviewing the NSDL Training Syllabus



NSDL Training Syllabus

- ◆ HRD activities at the NSDL
- ◆ Training in NSDL
- ◆ The NSDL syllabus and other deliverables under the FIRE project
- ◆ Implementing the NSDL training syllabus

NSDL Train-the-Trainer Workshop

Module 2: Elements of an Effective Presentation



Elements of an Effective Presentation

Agenda

- ◆ Planning and Preparation
- ◆ Practice
- ◆ Teaching Aides
- ◆ Participation
- ◆ Structure of Effective Presentations
- ◆ Basic Presentation Skills

Financial Institutions Reforms and Expansion (FIRE) Project

2

Part 1: Planning and Preparing Presentations

- ◆ Who —————> Know your audience
- ◆ What —————> Know your topic(s)
- ◆ Why —————> Know your objective(s)
- ◆ How —————> Know your resource needs / constraints

Financial Institutions Reforms and Expansion (FIRE) Project

3

Know Your Audience

- ◆ Who will be in attendance?
- ◆ What is their background/experience?
- ◆ Why will they come; what benefit do they seek?
- ◆ How can they use the information you present?



Financial Institutions Reforms and Expansion (FIRE) Project

4

Know Your Topic(s)

- ◆ Identify Key Points to be Addressed
- ◆ Prepare Examples
- ◆ Know of leading work / experts in the subject
- ◆ Gather background materials
- ◆ Add Value



Financial Institutions Reforms and Expansion (FIRE) Project

5

Know Your Objective(s)

- ◆ Announce/ Share Information
- ◆ Motivate
- ◆ Change behavior
- ◆ Develop/Enhance skills



Financial Institutions Reforms and Expansion (FIRE) Project

6

Know Your Resource Needs/Constraints

- ◆ Length of Presentation
- ◆ Number of Participants
- ◆ Location and room setup
- ◆ Required equipment (overhead, flip charts, VCR), coffee
- ◆ Backup plans



Financial Institutions Reforms and Expansion (FIRE) Project

7

Part 2: Practice

- ◆ Develop teaching plan (outline and timeline)
- ◆ Know the "Story"
- ◆ Identify times to use examples, exercises to change flow of presentation
- ◆ Use mirrors/seek feedback
 - rehearse presentation with colleagues, in the mirror, on video

Financial Institutions Reforms and Expansion (FIRE) Project

8

Prepare a Teaching Plan

- ◆ Time distribution
- ◆ Use of blackboard, overheads and other guides
- ◆ Use of questions to guide discussion/analysis
- ◆ Transition phrases
- ◆ Closing points--review:
 - conclusions and key points
 - key concepts and tools used
 - key teaching objectives

Financial Institutions Reforms and Expansion (FIRE) Project

9

Example of a Teaching Plan: "Motores"

Time	Questions--Discussion Areas	Teaching Aides
5 minutes	The decision: Controlling financial situation. Role of B4	
15 minutes	<u>"As is" Analysis</u> What are the interests of the various stakeholders? What experience do they have? What potential conflicts can arise?	See Figure 1
10 minutes	<u>Evaluation of Options/Action Plan Development</u> What does Mr. Peris need to do today? How can he use his shareholders to help in the current crisis? What actions should be taken to insure this does not happen again?	See Figure 2
10 minutes	Summary & Conclusions	See Figure 3

Financial Institutions Reforms and Expansion (FIRE) Project

10

Part 3: Practical Teaching Aides

- ◆ Chalkboards, Flip Charts
- ◆ Overhead Projectors and slides
- ◆ Handouts
- ◆ Pictures
- ◆ "Tangible Examples" (things to see, touch)
- ◆ Videos
- ◆ Games or Competitions



Financial Institutions Reforms and Expansion (FIRE) Project

11

Why Use Teaching Aides

- ◆ Get attention of participants
- ◆ Facilitate exchange of information
- ◆ Enhance understanding of key issues
- ◆ Demonstrate what is real / possible
- ◆ Alter flow of presentation -- variety

Financial Institutions Reforms and Expansion (FIRE) Project

12

Tips for Using Teaching Aides

- ◆ Make sure all participants can see / hear
- ◆ Distribute handouts to everyone
- ◆ Pass "tangibles" to each participant
- ◆ Never talk toward your teaching aide -- i.e. talk to the flipchart, talk toward the participants
- ◆ Don't use too many

Financial Institutions Reforms and Expansion (FIRE) Project

13

Part 4: Participation -- Promoting Involvement and Discussion

- ◆ Use ice breakers and warm-up exercises
- ◆ Acknowledge/repeat names of participants
- ◆ Regard differences in the group as assets
- ◆ Don't let one member dominate the group
- ◆ Don't tolerate discounting or sarcasm
- ◆ Keep your energy level high -- it's contagious
- ◆ BE YOURSELF



Financial Institutions Reforms and Expansion (FIRE) Project

14

Participation: Using Questions

- ◆ Ask open-ended questions to provoke thinking
 - who? what? when? why?
- ◆ Ask close-ended questions to clarify or probe
 - is? was? do? did? should? would?
- ◆ Allow appropriate time for answers (7-8 seconds)
- ◆ Ask only one question at a time



Financial Institutions Reforms and Expansion (FIRE) Project

Participation: Using Questions

- ◆ Repeat or rephrase questions that may be confusing or complicated
- ◆ "Boomerang" questions asked of you back to the group
- ◆ Summarize and restate key comments
- ◆ ALWAYS ask if participants have questions before moving from to a new topic

Financial Institutions Reforms and Expansion (FIRE) Project

16

Evidence Understanding

- ◆ Listen "actively" to participants -- identify with thoughts and feelings of the learners
- ◆ Paraphrase participant statements/build on them
- ◆ Write participant comments on flipchart, overhead, etc.
- ◆ Make and maintain eye contact
- ◆ Never assume and never interrupt
 - listen, paraphrase, clarify, restate

Financial Institutions Reforms and Expansion (FIRE) Project

17

Discussion Styles

Discussion Style	Type of Situation to Which it Applies	Participant Characteristics
Open Discussion	Highly qualitative: use to share info and motivate	Small group Business experience
Directed Discussion	Highly quantitative or factual issues used to announce, change behavior, develop skills	Inexperienced participants Large groups
Progressive Analysis	Complex issues, multiple problems, quantitative, qualitative aspects appear: used to change behavior/develop skills	Any group
Decision Analysis	Short simple issues, mutually exclusive alternatives are apparent: used to motivate	...Any group
Role Playing	Complex, new issue: used to motivate, change behavior, develop or enhance skills	Medium sized groups

18

Part 5: Structure of Effective Presentations

- ◆ Introduction/Agenda
 - tell your audience what you will tell them
- ◆ Delivery
 - tell them
- ◆ Reinforcement
 - conduct activity to illustrate/demonstrate key points
- ◆ Summary/Debriefing
 - manage information sharing among participants
 - tell them what you told them

Financial Institutions Reforms and Expansion (FIRB) Project

19

Part 6: Basic Presentation Skills



- ◆ SMILE
- ◆ RELAX
- ◆ BE YOURSELF

Financial Institutions Reforms and Expansion (FIRB) Project

20

Behavioral/Non-behavioral Presentation Skills

- | | |
|---------------------------|-----------------------------|
| ◆ Behavioral | ◆ Non-behavioral |
| - eye contact | - coping with interruptions |
| - voice: volume, pace | - use of visual aids |
| - emphasis, variation | - dress and appearance |
| - use of hands | - audience involvement |
| - mannerisms | - ease of concentration |
| - distracting movements | - cliches, catch phrases |
| - sensitivity to audience | - question management |
| - enthusiasm | |

Financial Institutions Reforms and Expansion (FIRB) Project

21

Tips for Presenters

- ◆ Speak to be heard
 - project to person farthest away
 - use pronoun "you"
 - address participants by name
- ◆ Vary your pace
 - monotone is bad, monospace is worse
 - slow down for emphasis; speed up for excitement
- ◆ Pause periodically
 - eliminate verbal tics identified with nervousness
 - use silence - give participants time to absorb what you say



Financial Institutions Reforms and Expansion (FIRB) Project

22

More Tips for Presenters

- ◆ Build and maintain eye contact
 - keep your eyes on the audience, not the ceiling/your notes
 - share a complete thought with a person then find another
 - don't pan the room or forget to look at those closest to you
 - look for signs of understanding or confusion
- ◆ Gesture naturally
 - don't point fingers at people
 - beware of non-verbal signals that look like you want to be elsewhere
 - move your hands, but not to the point of distraction

Financial Institutions Reforms and Expansion (FIRB) Project

23

More Tips for Presenters

- ◆ Move about
 - don't lock your knees or you will collapse
 - move to and from your flip chart / overhead
 - position yourself away from the participant who is speaking to ensure that everyone can hear
 - work the room; don't let participants "hide" from you
- ◆ Finish what you start
 - finish your thoughts / sentences
 - always summarize a discussion or exercise
 - if you don't know, offer to find out, then do it!

Financial Institutions Reforms and Expansion (FIRB) Project

24

NSDL Train-the-Trainer Workshop

Module 3: Training Logistics



Training Logistics - Agenda

- ◆ Developing an Agenda
- ◆ Packaging Materials
- ◆ Publicity
- ◆ The Site

Financial Institutions Reforms and Expansion (FIRB) Project

2

Part 1: Developing an Agenda

- ◆ Know your objectives and audience
- ◆ Provide brief description of course and its objectives
- ◆ Develop course topics
- ◆ Develop a timeline
- ◆ Include time for breaks, group work, announcements



Financial Institutions Reforms and Expansion (FIRB) Project

3

Role of the Agenda

- ◆ The agenda should:
 - Set expectations for participants and trainers
 - » Why am I here?
 - » What benefits will I receive?
 - » Which of my needs will be met?
 - » What is expected of me?
 - Be comprehensive yet flexible: remember you drive the agenda; don't let the agenda drive you

Financial Institutions Reforms and Expansion (FIRB) Project

4

Using the Agenda

- ◆ Distribute agenda to all participants and trainers
- ◆ Note patterns -- coffee breaks, lunch times, etc.
- ◆ Supplement agenda with announcements
- ◆ Treat the agenda as a roadmap: you have a starting place and a desired destination, however, you may choose different routes to get there depending on the needs of the participants



Financial Institutions Reforms and Expansion (FIRB) Project

5

Part 2: Packaging Materials

- ◆ Provide all presentation slides to participants
 - allows attention to focus on substance, not notetaking
- ◆ Clearly mark/separate modules, topics, etc.
 - creates natural break for summary or questions
- ◆ Provide additional background reading
- ◆ Make sure materials are well-edited, organized and easy to use
- ◆ Allow enough time to order binders, transparencies and other supplies

Financial Institutions Reforms and Expansion (FIRB) Project

6

Make Materials "User Friendly"

DO

- ◆ Use bullet points on slides with key words / phrases
- ◆ Use "white space" for eye appeal
- ◆ Use charts, graphs, diagrams, pictures, etc.
- ◆ Be consistent with titles, headings, type face, etc.
- ◆ Remember, teaching materials are also marketing tools.

Financial Institutions Reforms and Expansion (FIRE) Project

7

Make Materials "User Friendly"

DO NOT

- ◆ Crowd key messages with too much information
- ◆ Use slides, pictures, which are too small
- ◆ Use incomplete or outdated information
- ◆ Forget to cite sources when appropriate
- ◆ Under-estimate demand for materials; never run out of copies

Financial Institutions Reforms and Expansion (FIRE) Project

8

Part 3: Publicity

- ◆ Identify "Gatekeepers," those whose endorsement will directly affect the success/failure of the event
 - meet personally with them to explain objectives, expectations, timing and benefits
 - co-opt and involve them to build credibility



Financial Institutions Reforms and Expansion (FIRE) Project

9

Spreading the Word

- ◆ Create a core of supporters among potential participants
- ◆ Use word-of-mouth and endorsements from previous events
- ◆ Distribute short information fliers
- ◆ Manage the sign-up process; start a waitlist
- ◆ Give plenty of lead time



Financial Institutions Reforms and Expansion (FIRE) Project

10

Keys to Successful Publicity

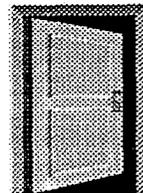
- ◆ Specifically identify target audience
- ◆ List objectives, topics, key speakers
- ◆ Clearly state time, location and cost
- ◆ Always provide a contact name and number
- ◆ Designate a spokesperson to liaise with participants/others

Financial Institutions Reforms and Expansion (FIRE) Project

11

Part 4: The Site

- ◆ Choose a location convenient to target audience
 - cost, distance, accessibility (car, train, etc.)
- ◆ Choose a location with appropriate accommodations
 - size, number, and type of rooms
 - lighting, sound, audio/visual equipment
 - appropriate social amenities, beverage, food, recreation



Financial Institutions Reforms and Expansion (FIRE) Project

12

Preparing the Site

- ◆ Obtain necessary approvals to contract/pay service providers
- ◆ Coordinate equipment needs, room set-up, catering needs in advance
- ◆ Ensure the availability of service providers prior to and during the event



Financial Institutions Reforms and Expansion (FIRB) Project

13

Matching the Site with Course Objectives

◆ Key Considerations:

- Resident vs. "Commuter" Course
- Passive vs. interactive course
 - » information sharing -- lectures, presentations
 - » enhancing skills -- case study, role play
- Large group vs. small group

Financial Institutions Reforms and Expansion (FIRB) Project

14

Setting up the Room

- ◆ Room configuration driven by course objectives
 - open room with tables in "U" formation for interactive meetings/workshops
- ◆ Speaker and visual aides should be visible to all attendees
- ◆ Provide ample room for speaker / trainer to walk among participants (if workshop format)

Financial Institutions Reforms and Expansion (FIRB) Project

15

Setting up the Room (cont'd.)

- ◆ Reserve space for at least 1/2 hour before and after the event
- ◆ Provide security so that materials and equipment can be left in the room overnight
- ◆ Check for appropriate lighting/sound systems
- ◆ Always have a contingency plan; something will not go as planned

Financial Institutions Reforms and Expansion (FIRB) Project

16

Other Considerations

- ◆ Registration requirements: location, staffing, participant sign-in lists, materials distribution
- ◆ Name tents/tags for participants
- ◆ Break-out rooms for group exercises: number of rooms, timing and set-up required
- ◆ Signs or announcements informing participants of the workshop location

Financial Institutions Reforms and Expansion (FIRB) Project

17

Summary

- ◆ DO NOT underestimate the time required to prepare course materials and organize the logistics
- ◆ DO use a checklist with all materials and logistics requirements for the course - it is easy to let something slip through the cracks!



Financial Institutions Reforms and Expansion (FIRB) Project

NSDL Train-the-Trainers Workshop

Module 4: Teaching Methodologies



Teaching Methodologies: Agenda

- ◆ Problem sets/exercises
- ◆ Role plays
- ◆ Videos
- ◆ Computer simulations
- ◆ Case studies



Financial Institutions Reforms and Expansion (FIRE) Project

2

Problem Sets/Exercises

- ◆ Less extensive “scenarios” than case studies
- ◆ Can be used for:
 - quantitative problem-solving
 - » financial analysis, production/operations
 - » don't just do the numbers, analyze the results
 - qualitative problem-solving
 - » discuss ways to handle difficult management problems
 - learning and following new procedures

Financial Institutions Reforms and Expansion (FIRE) Project

3

Role Plays: When to Use Them

- ◆ Objective is to change behavior or enhance skills
 - allows practice in “safe” learning environment
- ◆ Consider group size
 - group large enough to support necessary teams
 - group small enough to allow participation by most
- ◆ Program must have sufficient time for individual preparation, team preparation, role play and debriefing



Financial Institutions Reforms and Expansion (FIRE) Project

4

Conducting a Role Play

- ◆ Division into teams
- ◆ Team preparation
 - How to address the issues
 - How to prepare for the role play
- ◆ Role play
- ◆ Plenary session/debriefing

Financial Institutions Reforms and Expansion (FIRE) Project

5

Videos

- ◆ Can be used:
 - to reach a wide audience
 - to complement a trainer's presentation
 - as an independent study course
- ◆ Materials should be tailored for the specific audience; possibly developed in-house
- ◆ Production usually contracted out (unless in-house facilities are available)



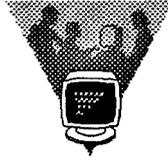
Financial Institutions Reforms and Expansion (FIRE) Project

6

1
72

Computer Simulations

- ◆ Can be used to:
 - demonstrate complex computer procedures required by the staff
 - organize and analyze financial, economic, or statistical information or other data sets
 - learn a new software
- ◆ Must be supported by adequate “take-away” documentation
- ◆ Requires small class sizes and/or additional instructors to provide one-on-one assistance



Financial Institutions Reform and Expansion (FIRIE) Project

7

The Case Study: What is it?

- ◆ The objective description of a real business/managerial situation, requiring the reader to make one or various decisions.
- ◆ A detective story, providing information to identify and analyze decisions
 - A selection of facts from a given business situation

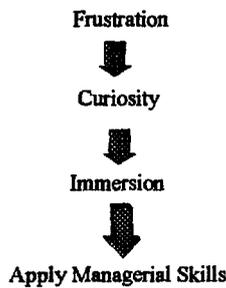
BUT..

"There is no one correct solution"

Financial Institutions Reform and Expansion (FIRIE) Project

8

The Learning Process



Financial Institutions Reform and Expansion (FIRIE) Project

9

A Case Study Should:

- ◆ Present an administrative problem
- ◆ Describe the environment
 - key protagonist characteristics
 - key resources at his disposal to address the problem
- ◆ Have sufficient information to identify and analyze the alternatives
- ◆ Require a decision to be made
- ◆ Be easy to read and enjoyable

Financial Institutions Reform and Expansion (FIRIE) Project

10

Preparing a Teaching Plan

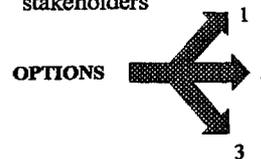
- ◆ Define the analytic tools required to analyze the case:
 - competitive analysis framework
 - SWOT (Strengths, Weaknesses, Opportunities and Threats)
 - decision analysis
 - other frameworks/your own

Financial Institutions Reform and Expansion (FIRIE) Project

11

Decision Tree

- ◆ Identify Alternatives
- ◆ Identify Consequences (quantify to extent possible) for decision maker, for other stakeholders



Financial Institutions Reform and Expansion (FIRIE) Project

12

Details of the Teaching Plan

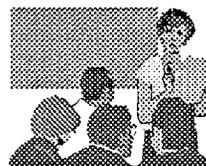
- ◆ Time distribution
- ◆ Use of break-out groups/plenary discussions
 - individual reading/analysis, plenary discussion
 - individual reading, small group analysis (each group solves the same problem), plenary
 - individual reading, small group analysis (each group solves a different problem), plenary
- ◆ Necessity for break-out rooms

Financial Institutions Reforms and Expansion (FIRE) Project

13

Details of the Teaching Plan (cont'd)

- ◆ Use of blackboard, overheads and other guides
- ◆ Use of questions to guide discussion and analysis
- ◆ Transition phrases
- ◆ Closing points-review:
 - conclusions and key points
 - key concepts and tools used
 - key teaching objectives



Financial Institutions Reforms and Expansion (FIRE) Project

14

Plenary Session

Objective:

- ◆ Undertake a constructive analysis of the case, based on individual comments from the students and under the guidance of the trainer.



The trainer's role is to:

1. Clarify concepts
2. Re-orient discussion
3. Consolidate positions
4. Obtain conclusions



NOT to provide answers

Financial Institutions Reforms and Expansion (FIRE) Project

15

Plenary Discussion

- ◆ Discussion flow depends on:
 - the trainer's style
 - the subject matter
 - the complexity of the themes being discussed
 - the background and knowledge of the participants

Financial Institutions Reforms and Expansion (FIRE) Project

16

Summary

- ◆ Participants are more likely to retain what they've learned when they are involved in the learning process
- ◆ A course that combines different types of teaching methodologies will be more interesting and useful to the participants
- ◆ Adequate planning time is necessary to design and develop teaching materials

Financial Institutions Reforms and Expansion (FIRE) Project

17

NSDL Train-the-Trainer Workshop

Module 5: Before and After the Training Course



Module 5: Before and After the Training Course

- ◆ Conducting a Needs Assessment
 - determining audience information needs
 - needs assessment techniques
- ◆ Evaluating Training Programs
 - evaluation techniques

Financial Institutions Reforms and Expansion (FIRE) Project

2

Conducting a Needs Assessment

- ◆ What it is
- ◆ Why we do it
- ◆ How to do it

Financial Institutions Reforms and Expansion (FIRE) Project

3

Part 1: Audience Information Needs

Know Your Audience

- ◆ Who will be in attendance?
- ◆ What is their background/experience?
- ◆ Why will they come; what benefit do they seek?
- ◆ How can they use the information you present?

Financial Institutions Reforms and Expansion (FIRE) Project

4

Selecting an Appropriate Audience

Key Questions:

- ◆ What is the appropriate size of the group?
- ◆ Should the group be homogeneous?
- ◆ How much time can they commit?
- ◆ Who is the gatekeeper?

Financial Institutions Reforms and Expansion (FIRE) Project

5

Are Objectives Congruent?

- | | |
|-------------------------------|-------------------------------|
| ◆ Audience | ◆ Presenter / Sponsor |
| - Gain information | - Share information |
| - Enhance knowledge or skills | - Motivate |
| - Gain prestige | - Change Behavior |
| - Protest | - Enhance knowledge or skills |

Financial Institutions Reforms and Expansion (FIRE) Project

6

1
75

Building Credibility with an Audience

- ◆ Make and maintain eye contact
- ◆ Use their "language"
- ◆ Define terms that may be foreign to them
- ◆ Anticipate questions they may raise
- ◆ Anticipate their learning styles and needs

Part 2: Conducting Needs Assessment

- ◆ Interviews
- ◆ Surveys
- ◆ Pilot Projects

Interviews

- ◆ Interview Definition
 - Controlled conversation with a specific objective
- ◆ Benefit
 - Gain current, first-hand information on needs, desires, feelings and level of experience of target audience

Interview Preparation

- ◆ Know your objectives
- ◆ Develop structured plan (which can be repeated)
- ◆ Communicate with interviewee
- ◆ Manage administrative arrangements
- ◆ Prepare yourself

Interview Structure

- ◆ Each interview has a beginning, middle and end
- ◆ Put interviewee at ease (discuss purpose, objectives, structure)
- ◆ Use open-ended questions to probe
- ◆ Follow-up with close-ended questions to confirm
- ◆ Conclude interview
- ◆ Thank interviewee for time and participation



Interview Style

- ◆ Take notes sparingly
- ◆ Display a helpful attitude
- ◆ Ask one question at a time
- ◆ Follow through on like subjects
- ◆ Interpret facial expressions, gestures, tone of voice
- ◆ Rephrase questions to clarify or confirm accuracy / consistency of answers

Surveys

- ◆ Questionnaires given in written form or verbally
- ◆ Need a well-defined measurement scale
 - yes/no
 - strongly agree to strongly disagree (1-5)
- ◆ Less flexible than interviews
- ◆ May access more data points than interviews

Financial Institutions Reforms and Expansion (FIRE) Project

13

Pilot Projects

- ◆ "Test-run" of presentation or project
- ◆ Well-defined feedback process allows for improvement before mass distribution
- ◆ Costly and time consuming

Financial Institutions Reforms and Expansion (FIRE) Project

14

How to Obtain Most Useful Data

- ◆ Start with the facts
- ◆ Supplement with "feelings" and "opinions"
- ◆ Seek data from representative sample, but don't look for "yes" persons
- ◆ Remember, if its free, fun, prestigious, etc. few will not express interest

Financial Institutions Reforms and Expansion (FIRE) Project

15

Using the Results

- ◆ Define appropriate target audiences
- ◆ Clarify/restate objectives appropriate to each audience
- ◆ Tailor topics, materials, presentation tools and styles
- ◆ Don't be afraid to say no!
 - Certain groups / topics may not be appropriate at a given time

Financial Institutions Reforms and Expansion (FIRE) Project

16

Part 3: Evaluating Training Courses

- ◆ What it is
- ◆ Why we do it
- ◆ How to do it

Financial Institutions Reforms and Expansion (FIRE) Project

17

Follow-up and Feedback

- ◆ Always plan for and conduct participant feedback
- ◆ Allow ample time for thoughtful feedback
- ◆ Seek non-confirming feedback
 - allow equal opportunity for negative feedback as well as positive
- ◆ Tell participants why their feedback is valuable and how it will be used

Financial Institutions Reforms and Expansion (FIRE) Project

18

Why Seek Participant Feedback?

- ◆ Creates opportunity for continuous improvement
- ◆ Measure responsiveness to audience and client needs
 - subject, timing, costs, etc.
- ◆ Measure effectiveness
 - Does experience of event or service match client / participant expectations?
- ◆ Identifies potential follow-on work

Types of Feedback

- ◆ **Qualitative**
 - one-on-one discussion with participants
 - Second hand word-of-mouth
 - letters of appreciation / compliant
 - open-ended survey questions
- ◆ **Quantitative**
 - scaled, close-ended survey
 - hand votes, polls

Key Areas for Feedback

- ◆ **Course / Workshop Content**
 - Are topics of interest?
 - Are topics relevant to participant needs?
 - Is level of discussion appropriate?
 - » too difficult, too easy, just right?
- ◆ **Presenters**
 - Are presenters knowledgeable?
 - Are presenters interesting?
 - Do presenters have strong presentation skills?

Follow-up

- ◆ Identify areas of continued interest and unmet needs; document with facts and numbers
- ◆ Develop timetable to deliver follow-up
- ◆ Always provide contact name and number
- ◆ Consider how requests for follow-up might become project extension or new project
- ◆ Promise only what you can deliver

NSDL Train-the-Trainer Workshop

Module 6: Outsourcing Training Services



Outsourcing Training Services

- ◆ To contract with an outside training organization that agrees to provide one or all of the following services:
 - course design
 - course development
 - course delivery
 - logistics management

Financial Institutions Reforms and Expansion (FIRE) Project

2

Why Outsource Training?

- ◆ To gain access to professional experts
- ◆ To reduce the costs of developing and delivering materials in-house (but consider the number of times the program will be offered)
- ◆ To train-the-trainers on a particular topic

Financial Institutions Reforms and Expansion (FIRE) Project

3

Steps for Outsourcing Training Services

- ◆ Perform a Needs Assessment
- ◆ Issue the-Request for Proposals
- ◆ Select and Contract a Vendor
- ◆ Monitor Performance

Financial Institutions Reforms and Expansion (FIRE) Project

4

Performing a Needs Assessment

- ◆ Conduct a training needs assessment to determine the specific needs of the organization
- ◆ Identify the issue or problem that requires training
- ◆ Identify the audience that should receive the training
- ◆ Develop training objectives

Financial Institutions Reforms and Expansion (FIRE) Project

5

Issuing a Request for Proposals

- ◆ Assemble a list of organizations that the firm would like to consider proposals from
- ◆ Draft a Request for Proposals (RFP)
- ◆ Distribute the RFP
- ◆ Clarify components of the RFP
- ◆ Receive proposals until the deadline

Financial Institutions Reforms and Expansion (FIRE) Project

6

Components of the Request for Proposals

- ◆ Technical Requirements
- ◆ Financial Requirements
- ◆ Personnel
- ◆ Prior Experience
- ◆ Other information

Financial Institutions Reforms and Expansion (FIRE) Project

7

Technical Requirements

- ◆ Contractor's understanding of the project requirements
- ◆ Contractor's approach to meeting the project requirements
- ◆ Workplan/timeline
- ◆ Deliverables

Financial Institutions Reforms and Expansion (FIRE) Project

8

Financial Requirements

- ◆ Estimated project budget including information on:
 - direct personnel costs
 - indirect personnel costs (fringe/overhead)
 - other direct costs (materials, facilities, etc.)
 - subcontractor costs (if needed)
 - fees

Financial Institutions Reforms and Expansion (FIRE) Project

9

Personnel

- ◆ Information about the contractor's personnel that will perform work on the training project, including:
 - CV's with information about previous, similar work experience

Financial Institutions Reforms and Expansion (FIRE) Project

10

Prior Experience

- ◆ Previous training projects on related subjects and/or for clients in a similar industry
 - date, length, of the project
 - description of the project
 - client references

Financial Institutions Reforms and Expansion (FIRE) Project

11

Other Information

- ◆ Background for the project
- ◆ Proposal deadline and place of delivery
- ◆ Contact person to clarify points in the RFP and/or the process for clarifying the RFP
- ◆ Formatting requirements
- ◆ Evaluation criteria

Financial Institutions Reforms and Expansion (FIRE) Project

12

Selecting and Contracting the Vendor

- ◆ Determine the procedure for conducting the bid evaluation process
- ◆ Reivew and score the bids; identify the “winning” contractor
- ◆ Inform all bidders of their win/loss
- ◆ Negotiate contract details with the winner
- ◆ Counter-sign two copies of the contract - deliver one to the contractor

Financial Institutions Reforms and Expansion (FIRB) Project

13

Monitoring Performance

- ◆ Maintain communications with the contractor
- ◆ Provide background material/access to employees as needed
- ◆ Perform a timely review of deliverables and provide necessary feedback
- ◆ Conduct an independent evaluation of the training (if necessary)
- ◆ Ensure completion of all contract requirements
- ◆ Review, approve and pay invoices

Financial Institutions Reforms and Expansion (FIRB) Project

14