
"A PROPERLY DESIGNED AUDIT PROCESS CAN ASSIST YOU IN MANAGING YOUR TRAINING OPERATIONS MORE EFFICIENTLY."

AUDITING YOUR TRAINING AND DEVELOPMENT FUNCTION

BY LOUIS OLIVAS

A review of the literature indicates that numerous studies, programs, and techniques have been performed and/or designed to measure the effectiveness, and in some instances the efficiency, of a particular training program. It has also been shown that training functions need to establish credibility with management by measuring effective training results, establishing performance results, and to a large extent visibly showing how the training functions contribute to the "bottom line."

Let me share with you a means by which your training function can not only demonstrate to "management" your concern for the effective and efficient operation of each department but, in addition, can offer a means by which you can market your training activities with other personnel functions and/or other departments within your company. The solution is to design, administer, and process an audit for your training function!

The need for divulging the ex-

tent of operations of your function and in many instances establishing further credibility for the sound training programs you are now offering are some of the reasons you should establish an audit for your training function. A properly designed audit process can assist you in managing your training operations more efficiently. Wilkes stated, "Good audits are basic working tools for assisting managers in doing the job better."¹ For this article, a training audit is defined as a systematic process by which training personnel and others as well, can to some extent, verify the efficiency and effectiveness of a training function by utilizing an audit instrument.

You will soon find that training-audit instruments are not readily accessible for purchase, and few if any have been designed by training personnel. For these reasons, it is best to design your own instrument.

Before beginning to design an audit instrument, you should identify the audit objectives. Do you want to establish standards within your department? Is your concern

for marketing your department? Is your function so complex that it would require subaudits in different programs or locations? Who would perform the audit?

Practitioners in the field of accounting cite general purposes as well as acceptable standards for establishing audits. The three most common standards are (1) general standards, (2) standards of field work and (3) reporting standards. Of the three, the standards of field work are the most applicable to auditing your training function. Standards of field work embrace the actual execution of the audit and cover planning the work, evaluating the systems and critiquing the quality and sufficiency of evidence obtained. In his article, "The Auditor: What Does He Do?" Matthews states, "The audit process requires constant evaluation of the evidence supporting the conclusions with respect to the audit objectives. . . . The audit process is based on evaluations, judgments and tests of data."²

Auditing your training function will establish standards by which you can measure the efficiency,

and to some extent the effectiveness, of your operation. It can also measure your effectiveness as a manager in the planning, organizing and controlling features of the management process. The design of the audit instrument must have check points by which managers can gauge their operation by standards established within their department and accepted by others outside the training function. Who else can be classified as the expert on the activities of training functions other than those directly involved with the training function? In order to establish further credibility and form an unbiased point of view, others from outside your training function can assist in the development of your audit instrument. You may find that questions others ask are sometimes difficult to answer with proper justification. If this is the case, are you operating with low standards? Are you possibly repeating operations because of past performances? Do you really need to perform certain functions? The audit process will force you to arrive at *sound* justifications for the activities you are performing.

Watson states: "Internal auditing should produce profits for the company, like any other corporate activity. This is the true and only reason to establish an internal auditing function. Wise training managers will understand the audit role and insure that the function is well designed and accepted throughout the organization." Watson goes on to state purposes of general audit objectives:

1. Determining that financial and operational reports properly reflect the information contained;
2. Determining that policies and operating procedures established by management are being followed; and
3. Determining that operations are carried out efficiently and effectively.

He concludes by stating, "These general objectives must, of course, be translated into specific standards of performance (criteria) against which the auditor will compare actual events."

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written and published in-depth articles on the purposes of internal audits. It also cites specific guidelines for the auditor to establish before attempting to audit internal operations. Training personnel will find it of great value to review the accounting literature on internal auditing before attempting to design or establish an audit.

In his article "Evaluating Your Training and Development Manager," Traynor states: "If there is a failure in your training and development programs, it may not mean that your training and development specialist is not performing an aspect of training properly — possibly he/she is not performing adequately as a manager (i.e., planning, controlling, budgeting, etc.)."⁴ Scherer supported this when he stated, "To gain management commitment, we also have to allow ourselves and our programs to be openly and constructively criticized and be big enough to do something about it when justified."⁵ A well designed training-audit instrument can assist you in

the measurement of your effectiveness as a manager.

Designing the Audit Instrument

The personnel responsible for the training and development function (managers, audiovisual specialists, trainers, etc.) should be the originators of the training-audit instrument. Depending on the purpose or complexity of your training function, major areas of concern in the design of the instrument should include, but not be limited to, department goals, corporate goals, budgets, record-keeping processes, training programs, administrative/management activities and major responsibilities of the training function. The instrument should be supportive of the operation of your department and function as a management tool, upholding established standards. If you find the instrument too cumbersome or that you are measuring items that are not essential, the audit process could become a liability and would not serve its purpose.

An example of the training-audit instrument used by this author is exhibited at the end of this article. Note that the instrument is a basic checklist that can be used to measure the essential operations of the training function. The scale (E=exceeds; M=meets; N=needs improvement) is a functional evaluation that can be used by those concerned with the audit. When performing an audit, the scale assists you in establishing acceptable standards. The measures must be supported with the data the question is calling for. The data or samples shown to the auditors must be "convincing" before an "E" rating is justified. This includes not only interviewing the training personnel, but in addition, presenting evidence of the data or samples. (A copy of a used training calendar or library checkout card are examples of data.) The auditor should be responsible for rating the appropriateness and/or functional use of the sample presented.

From a marketing point of view, you could possibly generate more interest if someone outside your training function performs the audit. The outsider will probably approach the audit with an unbiased view. They may be hesitant when called upon, but with effective coaching and justification for the importance of the audit, your auditor will in many instances do a thorough job. I have found that when personnel outside the training function were used, the auditor walked away with a better appreciation of the tasks accomplished by trainers. In addition, these auditors served as ambassadors spreading complimentary words on the efficiency and effectiveness of the training function.

The management of your organization will look upon your audit process as a means for establishing self-improvement in your training function and in many instances will challenge other departments to do likewise. Farm said it best when he stated: "Training and development personnel need to see themselves as being in the business of management. This should also help create better rapport with top management and provide a better understanding of client markets."⁶

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In his discussion on relating to performance, Deterline states, "If the results of training have such a relationship to operating costs, the professional training manager would make certain that management is given that information. . . . Hard data generate credibility; if we don't deal in hard data, people are justified in wondering why not, and becoming skeptical about us."⁷ Your training-audit instrument can provide the hard data and in some instances address the operating costs concern.

Implications

The training-audit instrument is not a training technique or another tool in the trainer's "bag-of-tricks," as a few trainers may want to imply. It is instead a process of analyzing the effectiveness and efficiency of your training function. The training-audit instrument should be considered for adoption as the basis for establishing operational procedures, thus providing training managers with a useful tool by which to measure

their operators from a management point of view. It also has implications for identifying the training function as an integral unit of the organization. Our concern for contributing to the overall organization will be evident to those auditing our training function as well as to those receiving the audit report.

The audit process can also serve as a guideline for establishing standards. Those areas in need of improvement can be targets for goal-setting processes. The audit provides the training function with an opportunity to market its services by means of external auditors, some of which can add constructive suggestions for improving the function's operation. The training-audit instrument is another means by which you can add further credibility to your function within organizations.

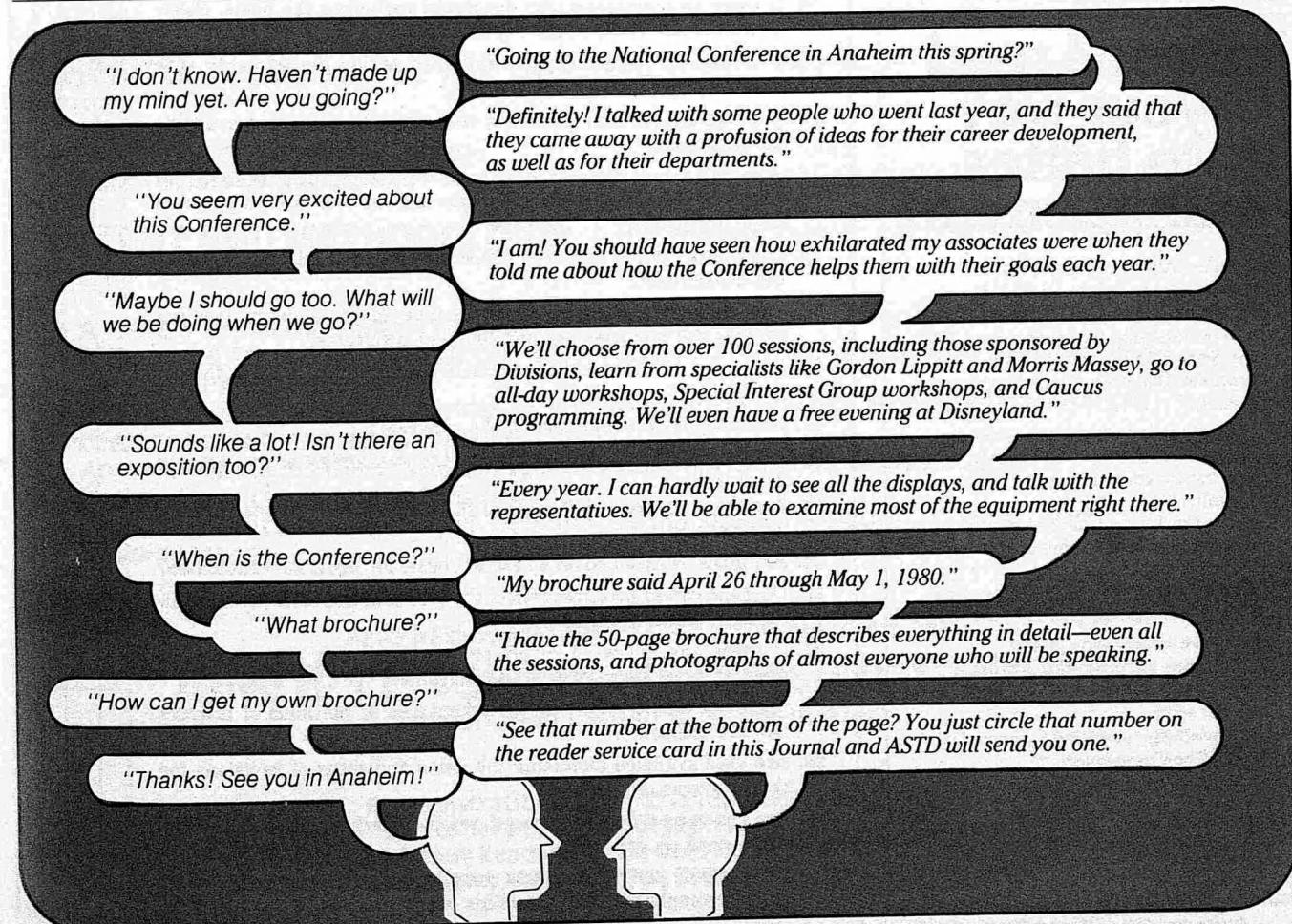
In conclusion, the greatest benefits may come from the audit presence as a deterrent force and from the identification of minor

procedural deficiencies or breakdowns which, if left unattended, would lead to major operational problems. In addition, the purpose of having an internal-audit function should be more than justified by the benefits it produces, providing it is custom designed and truly used by training managers as a means of control and a basis for constructive action.

Finally, the audit process can serve as a communication tool between the training function and management indicating the concern for more effective and efficient cost operation in training activities, establishing credibility and thus gaining further support of management.

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TRAINING AUDIT

This instrument is to be used for the internal analysis of the services performed by the training department. Please notice an evaluation key for each section of the audit. This will aid in focusing on the consistency of personnel functions. The code for the evaluation is as follows: E=Exceeds Requirements; M=Meets Requirements; N=Needs Improvement. It is anticipated that this audit will be utilized on a quarterly or a semiannual basis to avoid overlapping of information analysis.

TRAINING AND DEVELOPMENT DEPARTMENT

1. Are good management candidates (internal) referred to the Training Department?
2. Are training packages available in the department being used?
3. Are training programs evaluated for content and instructional use?
4. Does the department refer employees to outside community training or educational resources?
5. Are career progression trainees properly counseled?
6. Is a curriculum developed on a long-term basis for the development and growth of employees?
7. Is the tuition reimbursement account audited at least annually?
8. Are current attitude survey data available?
9. Is an effective check-out system in force for the library texts?
10. Is an effective check-out system in force for the audiovisual equipment?
11. Are programs developed and functioning for specific operations based on a needs analysis?
12. Is an established community relations plan in effect?
13. Are all policies and procedures for the training function in effect and followed?
14. Is there an operational plan developed reflecting the goals, objectives, and activities of the department?
15. Is a training needs analysis conducted within departments on a quarterly basis?
16. Is a training calendar published reflecting the programs available for employees?
17. Are year-end reports prepared reflecting the number of employees participating in programs and the cost of each program when applicable?
18. Is a yearly budget prepared reflecting the goals and activities for the department?
19. Are management personnel supportive of supervisory training courses and management development programs?
20. Is there a viable career progression program available in the organization?
21. Is management supportive of the program?
22. Are employees properly advised of the availability of the training program?
23. Are there supportive records of the participants and the training experiences?
24. Are goals established on an annual basis for program candidates?
25. Does the career program reflect the cost of each participant enrolling in external programs?
26. Is there any follow-up report or interview with participants as they attend externally related programs?
27. Is there evidence that various techniques or methods of instruction are utilized?
28. Are data available indicating the dates and areas of revisions for the programs offered?
29. Are the record-keeping procedures in orderly fashion and easily understood by others?
30. Are periodic progress reports compiled indicating budget to date, goals accomplished, and priorities being addressed?