

# CASE STUDY: 'TRAINING — THE KEY TO SUCCESS'

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What happens when a national corporation with 1,000 offices coast-to-coast switches to a computerized system that alters not only the basic methods of conducting the business but also the functions of many of the employees? That question currently is being answered by AVCO Financial Services (Newport Beach, Calif.), one of the nation's largest consumer-financing firms. The answer so far is "business as usual."

The key to AVCO's changeover is training. Once any individual office goes "on-line" with the completely computerized *Branch Operating Systems* (BOS), familiar manual office procedures are totally obsolete. To complicate matters further, the conversion in each individual branch is accomplished literally overnight. Designing a training program that could make the firm's 8,200 employees so conversant with the system that such a changeover was possible was the task.

BOS itself is a communication

network connecting all AVCO offices with each other and with the headquarters in Newport Beach, the location of the central computer. The computer terminals, located in each AVCO office, feature standard typewriter alphanumeric keys for entering data as well as transaction designator and control-function entry keys coded to indicate the transaction the operator is performing. Also part of the terminal installation in the branch office is the Terminal Control Unit, which acts as a temporary storage unit for outgoing messages, and the modem, which serves as an electronic interpreter and prepares information for electronic transmission.

AVCO decided to switch to a computerized system for two major reasons: increased management efficiency and increased customer support. It prints out on a day-to-day basis a complete status report for each branch and gives managers almost immediate access to other information, both general and confidential, from other branches and/or headquarters. With the system, transactions are

completed in a fraction of the time formerly required, and the chance of error is minimized. The greater knowledge of the overall business of the branch, which has been learned in the training program, permits employees to use this newfound time for nonclerical work, such as customer service and sales.

"Our biggest problem in going with a computerized system," said William Matheson, AVCO vice president in charge of personnel and training, "was how to implement the changeover without disrupting business. It was imperative that we keep the branches operational on a daily basis during the conversion process. Conversion also meant restructuring the organization. To avoid laying people off, we needed ways to utilize their newly acquired free time profitably."

## Task Analysis

The task analysis required three months, considerably longer than usual because of the complexity and scope of the project and the size of the organization. It revealed a multiplicity of factors which



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would affect the design of the overall training program.

- The learner group varied all the way from top executive and senior employees with considerable experience in the consumer finance industry to office workers fresh out of high school.

- The learning rate or pacing of individual employees was likely to be considerably different. The older employees, though familiar with the ways AVCO conducted business, might prove somewhat set in their ways and resistant to new methods. Younger employees who were more apt to have been exposed to computers during their education or early work experience could be expected to pick up new concepts more readily. This situation could present a "role reversal" problem in which the more experienced office "expert" would give way to the younger novice who could pick up terminal training more quickly and become the new branch "expert."

- The wide geographic spread of some 1,000 offices from coast-to-coast presented a completely different set of training problems.

- It also was discovered that there was considerable variation in local customs and laws affecting the consumer finance business.

- The amount of available training time — on and off the job — varied widely from office to office, affecting the scheduling.

- The task analysis indicated the need for a single training program which would be applicable to both the initial massive conversion effort and to the ongoing branch activities once the conversion was accomplished and new employees were hired. Presumably, the new hires would have little knowledge of consumer finance and AVCO procedures, so the program would have to incorporate day-to-day business information as well as Branch Operating System training.

- Examination of the hardware in terms of the needs of the training group established learning interferences and patterns which had to be accounted for in the program.

- Finally, delivery of branch-

office hardware was scheduled on a region-by-region basis over a period of about a year, which necessitated scheduling of training on a staggered basis rather than all at one time.

All of these factors — and many more — were considered from a cost-effectiveness viewpoint; i.e., unproductive time for training during office hours *vs.* the problems of off-the-job training; availability and cost of trainers; the number of people to be trained at different locations; the availability of training equipment; etc.

### **Program design**

To account for all of the above factors and a myriad of ramifications, a three-part program utilizing printed text materials, audio cassettes and directed hands-on experience was designed. To meet the needs of the five well-defined learner groups identified during the task analysis, several distinct training packages were developed within the framework of the overall design.

Two top-level groups — regional supervisors, area vice presidents and their assistants on one hand and branch managers and senior cashiers on the other — needed to know what the Branch Operating System was all about. Special BOS seminars were designed to inform them of the benefits of the system, how it works, what types of information it would generate and the format it would take, how it would impact on their way of doing business, and how their employees would be trained.

Two different BOS seminars were developed to teach the trainers. A comprehensive three-week session to be held at AVCO's home office was aimed at area training administrators, coordinators and representatives. The other, a one-week session held at the area training centers, covered regional training representatives who would be in charge of the branch-office program.

The fifth group consisted of branch personnel who would be handling customer transactions and operating the terminals. A comprehensive self-instructional, interactive "Key to BOS" program

involving approximately 60 hours of training for this group became, indeed, the key to successful conversion from manual to computer operation of the entire branch network.

### Personnel Attitudes

The learner-group profile that resulted from the task analysis showed that the average branch-office trainee had the verbal skills of a high-school graduate, was not familiar with BOS, could type well enough to operate the terminal, and was either experienced with AVCO's method of doing business or knew where to locate the necessary information. It also was discovered that most trainees felt that their work was primarily clerical in function and that sales was not an integral part of their job. One goal of the training program, therefore, was to reorient personnel to a new business philosophy: that sales and customer service would take much of the time formerly devoted to paperwork.

"Despite a fine training program," said C.H. Buston, AVCO manager of communications facilities, "we are dealing with people who have been used to the partial file system for a decade, doing their own computing, operating adding machines expertly, handwriting their daily report, and dropping it in the mail that night. Now we're asking them to forget that system, and let BOS do it — once the data is put into the system. It's not difficult, but it is different. And people just naturally resist change."

In some cases, older personnel with long years of experience in manual procedures could be expected to feel that their knowledge was no longer valuable, and that they were being replaced by a machine. Also, the average employee might feel that he or she is already overworked, and the extra time required to learn new methods would not be met with a great deal of enthusiasm. These problems could be solved with motivational material built into the training program. Trainees need to have a clear understanding of what the conversion will mean to the company as a whole, and that the de-

creased recordkeeping activities and workload in the branch office will lead to more aggressive business-development efforts, thus justifying the present staff.

The entire changeover process takes about a year at the branch-office level. But the bulk of the activity comes within the last four months when records are prepared for electronic data-processing and ledger cards are coded. Two months prior to the target date, the BOS equipment is installed, and the "Keys to BOS" training program for branch operating personnel begins about two weeks later.

Conversion is undertaken by geographical area. The first branches to make the change serve as pilot operations to give managers a chance to see the program in action and to work out any local problems. The target date for the first conversion also becomes, in effect, a control for most of the training activities throughout the region and area. All members of

the two top-learner groups should be trained prior to the first conversion, and, of course, it is essential that all trainers be completely prepared to guide branch personnel through the pilot operations.

The BOS program itself consists of a self-instructional manual and four cassettes which provide background information, procedural instructions and practical exercises involving realistic business transactions.

### BOS Training Objectives

The material is organized to achieve seven basic objectives:

1. To give the trainee an overview of the Branch Operating System and its major benefits.
2. To familiarize the employee with the operation of the BOS terminal through printed study materials and initial hands-on experience.
3. To develop a relationship between the flow of business in the branch and appropriate BOS transactions through detailed examina-



Training of AVCO Branch personnel for the operation of the Branch Operating System takes place in each local office during regular business hours. However, training is never allowed to interfere with normal day-to-day business.

tion of individual transactions and combinations of transactions encountered in a typical day's flow of business.

4. To gain proficiency in operation of the BOS terminal by performing a series of representative transactions with an increasing degree of difficulty.

5. To teach the operator emergency procedures if the system ever becomes inoperable; i.e., early recognition of a breakdown, what to do about it, and how to transact business manually in the meantime.

6. To familiarize the trainee with the management reports produced by BOS.

7. To acquaint the branch personnel with the entire conversion process from initial sign-on the first day, through actual account conversion, to final conversion sign-off.

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Throughout the training there are examples of customer service techniques and directions for hands-on experience with the terminal. The program is designed to be as realistic as possible, even to the point of including typical errors in some of the exercises to give the trainee experience in spotting and correcting them.

While much of the training takes place during the least busy hours of the day, it is structured to take the trainee through the typical operations from daily opening to closing of the office, thereby giving him or her greater familiarity with the total business of the office, not just one or two specific functions.

The largest portion of the approximately 60 hours of training time are devoted to hands-on experience with the branch-office terminal. To provide this experience while maintaining "business as usual," Universal Training Systems designed the Data Training Base (TBOS), a permanent, isolated section of the central computer in Newport Beach. This section, controlled by a special key on the terminal keyboard, contains the complete data involving every transaction for a typical, but hypothetical, customer account.

During preconversion training, employees thus have all the information required to replicate actual business conditions despite the fact that the total system is not yet in operation. The trainee keys in and out of TBOS as need be to handle real transactions. Once the office has been converted to BOS, new employees continue to use TBOS in a similar manner for the exercises in the training manual and audio cassettes. At no time is training permitted to interfere with the ongoing activities of the branch.

From start to finish of the program, trainees are instructed to read the exercises first, then look for the answers as they read the accompanying text. The questions are not presented in the same order that they will be encountered in the manual. The trainee cannot proceed to the next element until

each question is answered and understood, because each exercise is a building block for the ones that follow. Learning is aided by review exercises scattered throughout the program. They are not planned as checks to see if the trainee has read the material, which is considered counterproductive. They are simply guides to reinforce the important points to be looked for in the reading.

During the 45 day preconversion training period, there are certain days when employees do not work in the manual or the exercises because of end-of-month preparation, reporting days, etc. These were all accounted for in the suggested training schedule, again avoiding interruptions of ongoing activities and injecting a further note of reality to the learning process.

In the end, the transition from training to actual conditions becomes smooth and almost effortless, because what the trainee does in actual practice is exactly what he or she did for the past 45 days — the same interruptions, the same errors which might be made accidentally in operating the terminal, the same wide variation of activities encountered in day-by-day business.

### Program Validation

Because of the complexities of the program and its self-instructional nature, formative evaluation was conducted four times. As a result of this validation, each succeeding area conversion has proceeded more smoothly than its predecessors.

While comprehensive summative evaluation must wait until all 1,000 AVCO offices have been converted, there already is evidence that the program accomplished its goals.

John H. Rosenheim, president of Universal Training Systems Co., was formerly a marketing executive at Bell & Howell and Argus, Inc. He taught at Roosevelt University, Chicago, and served as president of the Board of Education in Highland Park, Ill. He is currently a trustee of the National College of Education, Evanston, Ill., and a trustee of Michael Reese Medical Center, Chicago, serving as chairman of its Medical Research Committee.