

The importance of employee training at Nestle For every business organisation, success depends on the ability of its employees to perform at the highest level. Business analysts state three main reasons to improve employee efficiency; training, motivation and job satisfaction. Out of the three, training is perhaps the most important factor that leads to employee efficiency. Admittedly, motivation and job satisfaction are major factors and cannot be ignored. However, training provides a more tangible element in the sense that on a practical level, it is easier to identify the link between training and efficiency. Simply put, the more trained you are, the better your skills become, hence improving your efficiency as an employee. So how important is employee training at Nestle? Many organisations today invest heavily in employee training and one such organisation is Nestlé. Their trainee programs are quite extensive and can span years. For example, a new international marketing and sales trainee, after being selected by the organisation, can enjoy the benefits of considerable investment in their training and development by Nestlé. The international marketing and sales trainee program starts with a 2–4 month orientation at Nestlé’s international headquarters in Vevey, in order to give a clear understanding of the role of the headquarters, and the way it works with local Nestlé markets. It also introduces specific product categories that provide the basis of each new employee’s assignment. During these first few months each employee is given the opportunity to network with as many people as they can and highlight them as important contacts for future reference. Once this familiarisation phase is over, the trainee is ready to embark on the training period. Nestlé will even send trainees abroad to start their training for a global, expatriate career. This is when the fast-paced training program really gets under way. The intensive training program is designed to help the new employee get to know all the various departments that will contribute to their success and that of the company. During training, the Trainees work in close collaboration with an experienced Manager who facilitates their learning in many key areas such as: Marketing Strategy – incorporating elements such as brand positioning and communications, and also designing business plans built to support the long-term strategic vision for different brands. Setting Objectives – how to determine targets for factors like distribution, profitability, market share, volume, and brand awareness. Production – learning about product profiles, renovation and innovation; how the R&D network and Nestlé Product Technology Centres function in the context of the organisation. Communications – sponsorship, advertising, preparing briefs, consumer promotions and working with Nestlé Communication Partners. Market and Environment Analysis – price point elasticity analysis, competitors, consumer/shopper research and insights, and various market studies and methods. This initial training program is comprehensive and covers all of the different channels used by the company, and gives a complete overview of the activities of the firm. It also includes several months work as a representative of the department – to experience how the job functions, how to interact with trade customers, and how to be an integral part of the team. During this phase of the training, the trainee can perform job functions such as: Administration – organising the workforce, trade spend and incentives. Trade marketing – point of sales activity as well as broader sales channel strategy Regional sales – the practical application of sales in the area the trainee might be assigned later Category management – understanding categories and tools. Key account management – learning about key accounts and the importance of key customers, including retail chains and wholesalers. The depth and

breadth of this training represents a considerable investment by Nestlé in their employees, but also indicates that the organisation believes such an investment will pay off in the long term. While such an intensive program might not be practical for many smaller organisations with less resources, this is still a prime example of the importance and value placed on high quality employee training by large and successful companies such as Nestlé.

### UNILEVER'S MANAGEMENT DEVELOPMENT

Development is key in any organisation, whether management or training development. In the 2010 annual report, Unilever forecasted that 2011 would be a challenging year, but they had no idea that it would be utterly challenging, due to unexpected setbacks, although this framed how they managed their business and the various issues they faced. Unilever has gone through a process of rapid change and management development has been very useful in communicating it in the organisation and also training staff to deal with the change. Developing managers who can function in this rapidly changing situation shaped by change is certainly a main priority for the organisation. Unilever is a sophisticated establishment, the learners are the managers. According to (Reitsma 2001) their management development programme was dual: grow leaders for the future and develop individuals to reach their potential. Unilever gives utmost importance to the long term view when it comes to management development because they believe that developing leaders for the future would lead to a trade-off with requirements to run the business. Growth is a criterion for employees' behaviour at Unilever, each person in the company should create a growth vision. They believe that when employees have the chance to develop themselves, the organisation can reach outstanding performance growth, it is not only when they concentrate on the consumer which would not only result in low performance growth for the organisation but also have an undesirable impact on consumers. To achieve development it is vital to secure commitment. Unilever uses Recruitment and Management development to alter manager's behaviour and increase performances which are further linked to realizing strategic goals for development. Unilever introduced The Future Leaders Programme which is designed to provide experience and training vital to be a manager in maximum, three years. They achieve this by allowing individuals to select the business area that fits their aims and skills. They focus on three key areas: formal learning, learning by experience and learning through people. Unilever develops and engage in the people, they make sure that their people have the right set of skills through the 'talent and organisation readiness' assessment programme which was launched in 2009. They develop a team suitable for growth and also develop and retain the right quality and quantity. They also invest in learning through their online learning management system programme. Employees have a learning passport that allows them to manage their own development. In 2011 they formed a Unilever Learning Academy which offers career skills maps and providing employees with a perfect understanding of their development and also the ability to access tools essential to build a successful career.

### UNILEVER'S STRATEGIC APPROACH TO MANAGEMENT DEVELOPMENT

Unilever publicised a new strategy 'Path to Growth' reducing the amount of products in its collection from 1,200 to 400 leading products, concentrating on Unilever brands, thus creating space for global growth. Some of the highlights of the change in their management development strategies are: Job evaluation system formerly comprised of 17 job classes at managerial level but moved to four managerial work levels. This was used to analyse the organisation and also marked the level of

accountability of the individuals to solve problems based on resources. Another highlight was the effort put in towards professionalism. It became the basis for developing career, allowing each individual manager to be in control of their learning and development. A competency dictionary was also established which is very vital for training and assessment. Also they eradicated the use of appraisal by shifting from the system which lays emphasis on looking back on last year's performance, to focusing on a system that looks ahead. This helped to get a progressive and truthful discussion. As earlier stated that management development is a shared responsibility, the joint ownership of Unilever should be between the business and the manager. Managers have different skills, Unilever is obligated to provide them with pertinent tools to allow them develop their learning needs and also ensure that personal development plans are incorporated in the managers.

**Performance Development Plans** The crux of Management Development was the Performance Development Plan. This system allowed the manager to discuss with his superior on how He could progress both professionally and personally. This discussion took place at least once a year and was put into writing. Target setting and reviews were done at the beginning of each year with each manager. The sole purpose of this is to provide focus on goals that necessary not only for the individual but also the business. Performance review is the latest type of appraisal unlike the old system of appraisal, with the focus on looking ahead. Performance Review identifies skills and competencies that aims at improvement. Another aspect of PDP is the skills and competencies development plan which on performance review. Skills and competencies are identified which requires improvement on about four areas. Training is one of the options for performance improvement. Another is to join a project whereby a competency is required. While all these are going on, checks are beings made regularly to make sure there progress. Potential assessment is also an essential part of PDP which focuses on the potential of the manager. For a manager at Unilever, building professional skills is of utmost importance because they are essential for career building. The purpose of potential assessment is to determine if a manager is set to work in the next level. Experience forms part of potential assessment. Unilever views career planning as an important aspect of management development. Each individual should plan ahead and lay foundations for future career. Sometimes a manager may leave the company if his expectations are not in line with the company view. Also Human resource planning meeting is essential in making sure that MD is incorporated across Unilever. Yearly, after the PDP process series of issues are discussed and addressed by the senior managers. These issues are mainly on organisational plans and development. Reviews would be done to assess the individual career plans and company's strength and weaknesses.