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Training challenges in regulated industries: Making it work.

Abstract

Purpose: Trainers and organisations in heavily regulated industries face a number of training-related HR challenges. The purpose of this paper is to examine barriers and propose solutions in such circumstances.

Approach: The paper briefly outlines the results of a case study involving multi-method data collection (interview, survey, focus groups) to explore barriers to training effectiveness in a pharmaceutical company in Germany.

Findings: The case study suggests that the company in question experienced several time and resource pressures to accommodate internally and externally required training needs. Other issues pertained to negative effects of these circumstances on employee motivation, engagement and relevance of training.

Practical implications: Based on the case study and existing work, a number of general practical recommendations are outlined for trainers working in regulated industries. These include suggestions such as the need for situation awareness in the design of the training strategy, co-creation in training, the benefit of linking training to reward systems, training accreditation, and the benefit of reviewing existing training approaches in the regulated industry.

Originality/value: The paper provides one starting point for those leading and managing training activities in regulated industry settings to manage the internal and external training challenges.

Keywords: regulated industry, training schedule, rewards, accreditation.

Introduction

Industries, such as the pharmaceutical industry, are subject to rigorous (inter)national regulations. However, the relentless pressure to innovate, to move towards digitalisation and globalised workforces contribute to an unpredictable, even disruptive, future of corporate training (Meister and Willyerd, 2010). Moreover, corporate training has become a mandatory and little flexible must-do in every day's working life. Hence, compliance, quality expectations and state regulations heavily impact the pharmaceutical industry which might include constraining particularities. In addition, the WHO, FDA, or (inter)national laws and regulations impact corporate training within the pharmaceutical sector (Farb *et al.*, 2005). In order to adhere and comply with them but still offer innovative and captivating training sessions, creativity combined with scrutinised planning needs to be applied.

Managing training in regulated settings: An example

The following insights are based on the outcomes of a case study conducted with a major pharmaceutical company in Germany, specifically the Operations Unit within this company. In our case study, this department was responsible for every step alongside the supply chain – starting with sourcing and ending with the distribution. Information was derived from 10 semi-structured interviews with managers, an employee survey, and four follow-up focus groups with 10-15 representatives (predominantly managers). Particular attention was paid to the opinions and perceptions of its employees with regard to the current state of training, the preferred state as well as the constraints to successful training.

The main findings revealed that training (particularly regulator-driven training) was viewed relatively negative. It was perceived as ineffective, dissatisfying and in many cases also as unrelated to many tasks completed by staff. Major constraints to the successful execution of training were linked to the time pressure, irrelevant training content and lengthy training sessions. This perception may be traced to the ‘Read and Understood’ training employed in this company, a typical training approach within regulated industries that draws on reading documents and acknowledging the understanding of the content.

Basing training on the ‘Read and Understood’ approach seemed to trigger demotivation, potential knowledge gaps due to misunderstanding and incomprehensive writing; the complexity due to legal regulations was also a factor. As a consequence, training needs analyses should also consider staff’s needs (time-wise, position-wise, method-wise). Employees asked for more interaction and exchange opportunities with other trainees completing the training. This was also a point reported by the participants in the focus groups which suggested a need to provide more means for interactivity, peer learning and employee exchanges to support learning.

Managing the training schedule: Challenges

The case study generated a number of hurdles for effective training completion and timing. Several of these issues are common to other in regulated industries where their training schedule is heavily impacted by compliance-related training pressures. The next session summarises some of the potential unintended effects that might be triggered due to scheduling pressure, training deliverables and content restrictions in line with new regulation and legislation.

First, the motivation to complete *training is frequently driven to satisfy regulators’ requirements*, promoting little to no intrinsic motivation for the trainee. Without prompting, trainees are unlikely to pick training that is set by regulators’ requirements.

Second, completion of training may be very standardized and content-wise inflexible. This then promotes by-rote learning or learning that just focuses on ticking boxes. While training trends suggest that individual responsibility for learning is the norm (see also Sloman, 2005), meeting compliance and regulator demands tend to raise the stakes from an individual-level responsibility to an organisation-level responsibility (because to the stakes involved for the entire organisation in the case of non-compliance). This puts significant pressure on all managers, trainers, and employees to be trained in the organisation.

Third, trainers and organisations do not feel a *degree of psychological ownership* for the training as it is delivered to them in a predetermined package, language and size. In other words, the trainees do not connect personally to the training or feel a sense of proprietorship that would convince them to engage in this training on a voluntary basis. This may be exacerbated when the behaviour of the managers does not reflect the espoused importance of the training (Dahl,

2013) as broadcasted by the training department. Lack of enthusiasm from fellow trainees is likely to also shape the extent to which new staff shows continuous or declining training engagement (Dahl, 2013). These circumstances may then trigger disengagement with the training content among trainees, managers, and those responsible for managing all training activities within the organisation.

Fourth, the delivery of the training depends on the *effectiveness of communication and the accessibility of infrastructure* (such as the e-learning platforms used in different organisations). The extent to which the infrastructure gives access to the training, records completion of the study, and prompts late trainees to complete training in a timely manner will help regulated and often geographically distributed organisations. This contributes to training costs (technology and staff).

Practical recommendations

The challenges can be addressed in a number of ways. Special consideration is given to suggestions that apply to HR functions, some of which may provide starting points for trainers and managers in regulated industries. The recommendations are outlined to be as generic as possible, rather than limiting these to pharmaceutical companies or the case study outlined briefly in the previous section. In addition, the articles by Mayfield (2011) and Simpson *et al.* (2015) may provide further starting points for trainers working for companies in regulated industries.

Training in the future requires *situation awareness* above and beyond the local or even national level. That is, trainers and managers responsible for training need to have a sense of regulator strategy and potential timelines for new guidelines that will result in training. Furthermore, they need to look out and plan for the implications of new developments worldwide that may also have subsequent effects on their processes and products of the organisation. This may have a positive impact on scheduling flexibility within the organisation and prevent time pressure. Training required by regulators may no longer be perceived as an obligation that takes time and resources. Instead, external and internally-selected training rounds are incorporated more smoothly into internal training rounds.

The variety of (voluntary or work-related) training opportunities and (regulator-driven) training requirements requires a *degree of balance between mandatory and voluntary/personally relevant training*. Trainers need to consider training that is regulator-driven, but also potentially intrinsically motivating. In some cases, training might tap into one or both motivations. Intrinsic motivation might be achieved by connecting successful, early regulatory training completions to reward systems or employability markers. In the absence of scheduling conflicts, it might also be easier for trainees to hustle up the motivation to complete regulator-required training earlier and more efficiently.

The call for situation awareness and balance may be facilitated by efforts to *promote co-creation of training* in organisations within regulated industries. This might apply to both the type of training being developed and the kind of training being delivered (in addition to the regulator-driven training). For example, co-creation of training could take into account existing regulatory training requirements and career development for trainees wishing to be promoted into senior roles. Similarly, experts and managers may be important resources to design training to meet future organisational skill needs and knowledge gaps (reflecting more self-initiated and intentional incidental learning; Hunter, 2010). In addition, regulator-imposed training may become more meaningful to an organisation if the new training materials are embedded within case studies. The expertise of the organisation's own staff, managers and trainers might be a

key resource here to increase the relevance and meaningfulness of the training (see also Hunter, 2010).

Training-linked reward systems, links to appraisals and promotion tracks may be other ways forward. For example, those who complete regulator training early and very successfully may be fast-tracked for particularly sought after training opportunities with limited spaces. Those who are proactively training others (via buddy systems or peer coaching schemes) may also qualify for such training. Showing competence, leadership and commitment to training may also be rewarding when these records are regularly considered in appraisals and promotion rounds. It should be noted that the extent to which such reward system can be implemented may depend on organisational practices and national contexts, as these may determine whether or not such reward practice would be accepted in a given organisation.

Enabling employees to accumulate *training (or continuous professional development) points from professional bodies* might be another approach. Many accrediting bodies outline specific competences that need to be met in order to fulfil accreditation requirements (see also Hunter, 2010). Trainers may wish to consult the competency frameworks and see to what extent the training meets markers for accreditation of learning accomplishments and similar. If so, trainees may be able to claim certificates or gain accreditation points via the professional bodies. This would generate transferable personal gains for all employees participating in training. Such training would build training completion, performance and engagement to their own personal employability (and thus potentially building intrinsic motivation to participate in training as well). If this can be accomplished among a number of organisations in the same sector, employees would be able to take their training record (including compliance training) to demonstrate their learning competence for promotions, projects and new roles within and outside their organisations.

Despite the challenges, there are some organisations that, while in a regulated industry, still manage to transform into *learning organisations* (e.g., banks, see Martineau, Knox, & Combs, 2014). Their reports and other case studies may prove insightful, such as the experience of Pfizer's Social Learning Community to support global cross-divisional collaboration and identification of similar processes in their US plants – an approach that helped the company to achieve time and cost reductions for projects (Zielinski, 2003). Bundling and harmonisation of training activities could support Social Learning Community activities, reflecting the need for co-creation and balance noted in the previous section.

Conclusion

Our case study demonstrated the challenges that a pharmaceutical company experienced in juggling external, regulator-driven from internal, organisational training needs and demands. Many of these issue may apply to other organisations in different settings. Based on existing work and (un)desirable outcomes of training changes, the authors propose that the challenges may at least in part be tackled by considering: (a) situation awareness in training strategy as well as needs analysis, (b) the need for balance in terms of what training is offered, (c) co-creation in training; (d) connecting training success to reward systems, appraisals, and promotion tracks; (e) accreditation of training and links to professional bodies; and (f) other examples such as learning organisations or social learning communities.

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