



2011

TPM NEWS LETTER

TRAINING: INVESTMENT OR EXPENSE ?

This is a standard question that is faced by top management in any company. Is training budget an investment or expense?

To put our thought process in a particular way which could be a trend setter, let us ask the question – why are we putting our children in schools and that too in what we consider as good schools? The simple answer is “their future” or should we add “our comfort as well – not necessarily financially but could be mentally as well if they become well settled”. Now, the money spent on the children – is it an investment or an expense? I would always go for it as investment and of course it is the only way.

Now, let us look at the training in a typical company. There is a max budget limit. Should the limit be there or not is another debate which we would not like to initiate. But, how is the budget looked at – Investment or Expense? Based on experience, it is looked more as an expense! If it is expense, one does not get back much. If it is invest, the returns would definitely be there. Many TPM practicing companies have understood this concept and are training their people on the important topics which would make their companies more competitive - the most important thing in the present day requirement.

Dr. Abdul Kalam, Former President of India in one of his speeches said that,

When learning is purposeful,
Creativity blossoms.
When creativity blossoms,
Thinking emanates.
When thinking emanates,
Knowledge is fully lit.
When knowledge is lit,
Economy flourishes.



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From this, the training given to people should lead to learning something that is purposeful. If it is not so, then it is an expense. To make it a good investment, people should be trained on the essentials that would be utilized by him / her in their workplace when they get back there.

Training; if it is an investment, then for what?

Culture setting: the answer to the above question is nothing but culture setting. One should remember that whether consciously or otherwise all companies are attempting at that. What kind of a culture? – this would be next question. It could be anything from TPM, TQM, Lean, Business Excellence, Six Sigma, 5S, etc. The companies which are consciously doing it have seen great success.

Representative companies on the subject of TPM are TVS Group of companies like Sundram Fasteners Ltd, Brakes India Ltd, Sundaram Clayton Ltd, TVS Motors Ltd, etc., Birla Group of companies Birla Tyres, Aditya Cement, Orient Cement, Indo Gulf Fertilisers, etc., Tata Group of companies like, Tata Steel, TELCON, JUSCO, Tata Reyerson, etc., Sona Koyo Steering Systems Ltd, many plants of Pepsico India Holdings Private Ltd, Fritolay Divn., to take a sample list from 121 companies which have successfully won the TPM Excellence awards from Japan Institute of Plant Maintenance, Japan

TVS Motors Ltd, Sundaram Clayton Ltd, Lucas TVS Ltd, Brakes India Ltd - Foundry Division Sholingur, from the list of 17 companies which have been successful on the TQM front with Deming Prize from Union of Japanese Scientists and Engineers (JUSE), Japan with some of them going ahead winning the Japan Quality Medal.

225 Companies have made a mark on the Business Excellence front with BE awards from CII and so on.

All the above companies have created a culture of their own and they invested heavily in training.



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As Dr. Kalam said,

Learning gives creativity,
Creativity leads to thinking
Thinking provides knowledge
Knowledge makes you great.

We would like to top it up with

“Training gives Learning”
Learning gives creativity,
Creativity leads to thinking
Thinking provides knowledge
Knowledge makes you great.

If the individual becomes great, obviously the organisation will become great. All the greatness is achieved through Training, which is definitely an investment for the future of the organization.