



WCES-2010

## The importance of in-service training in restructuring sectors

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Received November 4, 2009; revised December 7, 2009; accepted January 19, 2010

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### Abstract

Reduction or abolishment operation of government's intervention to economy, accelerating since the beginning of 1980s, is adopted by many governments as governance policy. This policy, being widely used in manufacturing industry and service sector at the beginning, has been used subsequently in electricity, natural gas, water...etc industry as natural monopoly. The employee needs to know position at institution organization, individual value and expectations. It is effective on the employee performance. In this context, the employees can take in-service education their institutions and regulatory authorities, which regulate and supervise the sectors. The in-service education plan is supported the program content and process by academic circles. In this study, it is emphasized process and content of scheduled in-service education program.

*Keywords:* In-service education; in-service training; deregulation; restructuring; market economy.

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### 1. Introduction

Free Market Economy has been effected sectors which were accepted as a natural monopoly and were generally under the control of public ownership in the past and has provided to reach competitive environment (Bishop, 1994). Since the early 1980's, many countries have privatized and deregulated intermediate goods industries like gas, electricity or telecommunications that had traditionally been run by the government. To the extent, that these intermediate goods are complementary to either physical or human capital, it is expected that any changes in their aggregate level of output or in their productive efficiency would also have an impact on the rate of growth of the economy (Glomm, 2009).

Policy-makers face the challenging task of designing appropriate competition policies for the key infrastructure sectors of economy -energy, transport, and communications - sectors whose efficient functioning is vital to sustained economic development. It is useful to identify the major groups which might be affected by privatization. Apart from political decision makers themselves, these include consumers, employees (including managers), new shareholders, taxpayers, suppliers of inputs other than labor, and suppliers of privatization services.

Consumers will be affected by changes in both the level and structure of prices of newly privatized enterprises. Here, as elsewhere, policies towards competition and regulation are also very important. Many privatization programs, as in Britain, have included schemes to allow enterprise employees to acquire shares in their organizations on particularly favorable terms. The rationale for these policies may be based upon the perceived efficiency-enhancing incentive effects of employee share ownership, but these are questionable

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in large firms. There may also be a desire to compensate employees for potential loss of rents accrued under public ownership, or to influence the longer-term probability of re-nationalization. However, this last point is questionable. Pressure from workers for public ownership is likely to be strongest when their firm is in financial difficulties. But share values will tend to be low in that case, and, even if employee shareholding exists on a substantial scale, protecting returns to labor may be the overriding priority. Moreover, employee share ownership gives workers extra incentives to oppose policies promoting effective competition and regulation. Thus, what was initially a compensation for loss of privileges may, at a later date, provide stronger incentives for the restoration of those privileges (Vickers, 1991).

This paper focuses upon the importance of in-service education for employees at restructuring sectors. The performance of employees related to situation of institutions. Therefore, they can completely adapt the institutions. The employee needs to know position at institution organization, individual value and expectations. In this context, the employees can take in-service education at their institutions and regulatory authorities, which regulate and supervise the sectors. In this study, it is emphasized process and content of scheduled in-service education program.

## **2. In-Service Training**

Education is one of the most important needs for the well-being of any society. Therefore, education is a powerful instrument of social progress without which neither an individual nor a nation can attain professional growth. The training of human life continues in various forms in each period. An individual needs training throughout his life by adapting to improvement technologies and to gain new knowledge and skills (Peker, 1994). Nowadays, the education spending is not expenditure; it is a human capital investment.

In-service training at the macro level is that increasing the efficiency and effectiveness of services for people, leading to improved knowledge, skills and attitudes from the purpose of enhancing institutions that affect the general working order permanently. At the micro level, in-service training, employees to follow new technology and enhance their skills and knowledge, is an applied education (Can, 1995).

Depending on rapid development of technology, increasing innovations and knowledge in social and economic sectors, in the period of transformation from personnel management concept to human resources management, qualification requirements of people in the institution has changed (Karakütük, 1999). In this case, gaining of the necessary qualifications of employees is increasing the importance of in-service training with each passing day. Implemented in-service training program in the institution provides institutional and individual benefits. The institutional benefits are increased efficiency in service production, rising of service quality, facilitating compliance, providing occupational safety, institutional communication cooperation and bring up to senior position. The individual benefits are usually enhancing of individual's morale and confidence, providing of career progression, raising efficiency, activation of communication, motivation and prestige (Vuran, 2003).

In-service training activities need to be put forward the principles and criteria to achieve the objectives and ensure the expected benefits. In this context, the general principles of in-service training are as follows (Aytaç, 2000).

- In the workplaces, support the idea of enlarging of knowledge and technical efficiency,
- In-service training is integration of life-long learning and self-development concepts,
- Training of Staff to be taken into periodic intervals,
- In-service training is correlated to education-productivity and the profession progress.
- In-service training activities are shown continuity.

In-service training objectives determine to the kind of education, which is given to staff. The possible other factors are person's ability, duty place of staff, organization's personnel requirements. Different criteria are used in determining the kind of education. They can be categorize according to type of providing training organization, place of training, the stage of trained staff in service, attributes and tasks of trained staff. In generally, in-service training species categorize according to implementation phases, application time and application location. As implementation phases, these are internship training, development training, field changing training and executive training. There are two methods of training in application location: on the job and off the job training (Canman, 1995; Sabuncuoglu, 2000).

Training should be evaluated several times during the process. Employees should be evaluated by comparing their newly acquired skills with the skills defined by the goals of the training program. Timely evaluation will prevent the training from straying from its goals.

### 3. In-Service Training Reasons in Restructuring Sectors

With the liberalization process, utilities, which were accepted as naturally monopoly and were generally under the control of public ownership, has been restructured in many countries. These countries are unbundling vertically integrated utilities and indented to increase number of players in competitive segments. In parallel, it has also been privatization process of related public utilities. After the segmentation and privatization, it is an important problem what the status and future of employees in the utilities will be.

In this study, it is handled part of in-service training for human resources departments about the problem of employees. In this context, it should be primarily fundamental the employees information about the process. As Working individuals are a part of institutions, they aren't third party and they are able to feel part of the process. Under the transparent structure, the process could be present the employees by the current document and periodically in- service seminars.

Under privatization process, depending on the time, if there is ambiguity in public utilities, efficiency of the employees can decrease. This is the most important negative effect for public utilities.

After the privatization process, first step, new management concept could convey to all the staff. The staff doesn't hear the rumor. If there are rumors, the institutions have perturbing and relations of employees could damage.

After the informed, the management concept and how the institution operates, it is necessary to train the related staff about restructuring sector.

Person, who was an employee at the public, is different because he is now an employee at the private sector. So, the human resources department is able to convey to all the staff about this situation information.

According the competitive structure, it is very important that to provide education by the department. The training program is given for managers and relative staff. Especially, after the restructuring sector, there are many amended legal. The training is able to ensure for the regulations not only the institution of employees but also regulatory authority, which disciplines, regulates and operates the sector. The regulatory authority is required to inform all players in the sector about laws and directives. The regulatory authority could establish a department about training of the sector. This is an important for healthy functioning of the sector.

The employees training, undergraduate and graduate, is usually pre-restructuring. Therefore, they should take some courses about the process. The human resources departments are able to provide in-service training.

Post-restructuring in-service training supports to two bases:

- Laws and directives,
- Professional knowledge.

About the professional knowledge, it is primarily necessary to measure of knowledge. According to the measurement results, in-service training groups should be set. Training programs should be prepared for the groups. According to the training programs, some of them could be given on the job. Academics could provide to contribute determining of the training program about the structure and content. Therefore, the regulatory authority is able to contact the universities and arrange the workshops with the participation of all parties.

Computerized information and Internet system techniques cause that these process the learning delivery formats in the individual and corporations. Because of the information technologies, knowledge of learning is not limited by time and location. Lots of corporations start to use Internet learning to work on the knowledge transfer and performance excellence within the organizations. Training and development department is the first division to deploy the Computer-Based Training, which combines with On Job Training (Lyytinen, 1999).

Fig. 1 shows flow of in-service training about the privatization process in the restructuring. The flow is prepared as fundamental of this study.

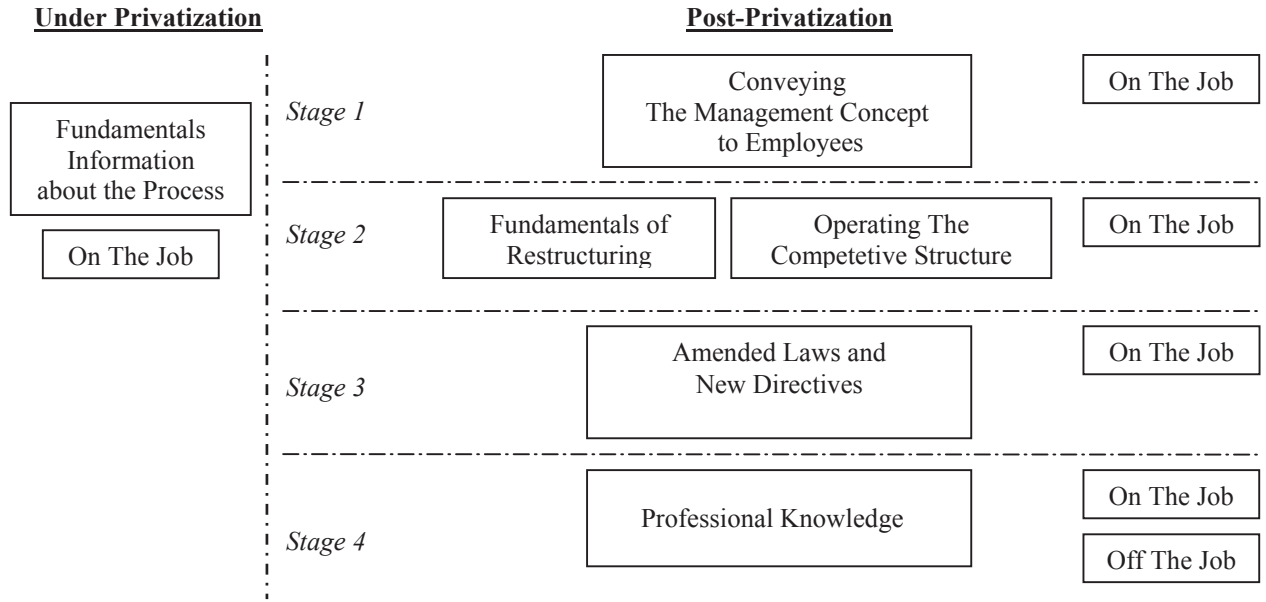


Figure 1. Flow of In-Service Training in Restructuring Sectors

#### 4. Conclusions

The last twenty years that have seen a worldwide tendency toward the privatization and the deregulation of markets that were previously kept under government control. In the context, the employees of restructuring sectors need to adapt new process. This study was discussed the situation in the context of in-service training.

Nowadays, training of human resources is a fundamental element in the continuous growth and development of all organizations. Therefore, the human resources department gives in-service training programs the staff. In restructuring sector, the employees are necessary to train pre and post restructuring. This situation is explained four stage for post-restructuring. The training programs could apply both on the job and off the job. Technologies and industrial sciences upgrade rapidly in the current economy. Computerized information and internet system techniques cause that these change the learning delivery formats in the individual and corporations. It can be used to the computer-based training and internet system techniques combine with on job training.

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