INTRODUCTION

TRAINING AND DEVELOPMENT is a subsystem of an organization. It ensures that randomness is reduced and learning or behavioral change takes place in structured format.

Those companies with higher training investment have had higher market capitalization. It clearly indicates that the companies which have successfully implemented training programs have been able to deliver customer goals with effective results. It shows that good training results in enhancement of individual performance.

Companies are investing in both the technical training, which has always been an essential part in IT industry, as well as in managerial skills development. Companies now kept aside 3-7% of revenue for training programs.

One of the major concerns for training companies is to create professionals who are better able to go in for a technology in a specific domain area as well as Managerial skill development. Other than that, there are various issues that are affecting the IT training sector such as, lack of conviction regarding training, unplanned training approach, uncertain quality focus, and lengthy decision-making process.

Purpose of Study
In the present age of cut-throat competition, it becomes highly necessary for an organization to be dynamic. It should respond effectively and timely to the changes in the business climate. This is possible only when the employees in the organization are capable enough to cope with the pressures of the changing environment. For this there is no other alternative then to subject them to various training and development programs.

Those companies with higher training investment have had higher market capitalization. It clearly indicates that the companies which have successfully implemented training programs have been able to deliver customer goals with effective results. It shows that good training results in enhancement of individual performance, which in turn, helps the
organization in achieving its business goals. Training is a tool that can help in gaining competitive advantage in terms of human resource.

This study will help to identify the impact Training and Development in certain IT industries in Pune Region. This study will investigate how Training and Development is essential for IT industries to survive in the long term. Certain essentials of training and development will be addressed in the study like having Good Infrastructure, Trained Trainers, Quality of Content, Certification of Training Course, Effective Training Evaluation and Post training Support. This study will showcase the positive impact of Training and Development in IT Industries.

**Importance of the Topic**

The Indian IT sector is growing at a very fast pace and is expected to earn a revenue of US $87 billion by 2008. In 2006, it has earned revenue of about US $ 40 billion with a growth rate of 30%. IT sector is expected to generate 2.3 million jobs by 2010, according to NASSCOM (National Association of Software and Service Companies)

With this rapid expansion of IT sector and coming up of major players and new technologies like SAP, the need of human resource development has increased.

According to the recent review by Harvard Business Review, there is a direct link between training investment of the companies and the market capitalization. Those companies with higher training investment had higher market capitalization. It clearly indicates that the companies which have successfully implemented training programs have been able to deliver customer goals with effective results. It shows that good training results in enhancement of individual performance, which in turn, helps the organization in achieving its business goals. Training is a tool that can help in gaining competitive advantage in terms of human resource.

With the growing investment by IT companies in the development of their employees many companies have now started their own learning centers. As an example, IBM has its own training department. Accenture has Internet based tool by the name of “My Learning” that offers access to its vast learning resources to its employees.
Companies are investing in both the technical training, which has always been an essential part in IT industry, as well as in managerial skills development. Companies now kept aside 3-7% of revenue for training programs. As an example, some of the major players like Tata Elexi and Accenture are allocating 7% and 3% respectively of the company’s overall revenue.