

**Khandelwal Vaish Girls Institute of Technology**  
**Internal Examination 2017 - 18**  
**Training and Development**  
**MBA Semester III**  
**Question Paper & Answer Key**

MM: 30

Time : 02:30 hours

1. **What do you mean by learning? Define its characteristics.** (3)

Ans. "Learning is the relatively permanent change in a person's knowledge or behavior due to experience. This definition has three components:

- the duration of the change is long-term rather than short-term;
- the locus of the change is the content and structure of knowledge in memory or the behavior of the learner;
- the cause of the change is the learner's experience in the environment rather than fatigue, motivation, drugs, physical condition or physiologic intervention."

*–From Learning in Encyclopedia of Educational Research, Richard E. Mayer*

"Learning is a process that occurs within nebulous environments of shifting core elements – not entirely under the control of the individual. Learning (defined as actionable knowledge) can reside outside of ourselves (within an organization or a database), is focused on connecting specialized information sets, and the connections that enable us to learn more are more important than our current state of knowing."

*- From Connectivism: A Learning Theory for the Digital Age by George Seimens*

Learning may be defined as the sum of behavioural changes resulting from new knowledge or skills acquired through evaluation, study, experience, training and innovation. It is an important psychological process determining human behaviour. It is a continuous process and it occurs all the time.

**Definition** - According to Martyn Sloman, "Learning is the process by which a person constructs knowledge, skills and capabilities".

According to E. R. Hilgard, "Learning is a relatively permanent change in behaviour that occurs as a result of prior experience".

Learning may be both vertical and horizontal. It is vertical in so far as precision in increased or information is added to that already learned. It is horizontal in so far as what is learned is integrated and organized as a part of a functioning unit of expanding experience. Thus the former means qualitative and the latter is quantitative in nature.

Learning should enable us to make the least use of the things in the world around us. For example, one has to learn the art of living harmoniously with others by learning how to establish good relations with his fellows. Learning not limited to the school alone. It begins earlier and continues even after the school days.

### Characteristics of Learning –

- a. **Learning is growth** - Learning is a process that constantly enlarges individual's understanding of his environment.
- b. **Learning is adjustment** - Learning teaches adjustment. The individual must learn to adjust himself to the changes.
- c. **Learning is organizing experience** - It involves experience, each modifying the learners' attributes, ideals, knowledge, skills and habits.
- d. **Learning is continuous** - It is a continuous process as it affects all modes of behaviour and continues throughout the life cycle.
- e. **Learning is transferable** - Learning can be transferred from one person to another through sharing experience, beliefs, values etc.
- f. **Learning involves change** - Learning involves long term changes in behaviour potential.

### 2. Differentiate between Training and Development.

(2)

Ans. Comparison between Training and Development

	Training	Development
Focus	Short-term	Long-term
Mode	Group of individuals	An individual
Purpose	Realization of the task at hand	Personal and professional growth of an employee
Skills	Acquisition of new skills	Harnessing the existing skills
Knowledge	Knowledge is gained through training.	Development provides for an expansion of one's knowledge.
Vis-à-vis	Training is a means to development.	Development comprises of training.
Tenure	Training is time bound.	Development is unending.
Frequency	Training is conducted as and when needed.	Development happens inadvertently and doesn't need to be conducted.

### 3. Define training employees. Explain various methods of training employees.

(5)

Ans. Training is concerned with increasing the knowledge and skills of employees for doing specific jobs, and development involves the growth of employees in all aspects.

**Meaning of Training:** "Training is the act of increasing the knowledge and skills of an employee for doing a particular job." — Edwin B. Flippo

Training is an organized activity for increasing the technical skills of the employees to enable them to do particular jobs efficiently. In other words, training provides the workers with facility to gain technical knowledge and to learn new skills to do specific jobs. Training is equally important for the existing as well as the new employees. It enables the new employees to get acquainted with their jobs and also increase the job-related knowledge and skills.

**Objectives of Training:** The objectives of training are as follows:

- To provide job related knowledge to the workers.
- To impart skills among the workers systematically so that they may learn quickly.
- To bring about change in the attitudes of the workers towards fellow workers, supervisor and the organization.
- To improve the productivity of the workers and the organization.
- To reduce the number of accidents by providing safety training to the workers,
- To make the workers handle materials, machines and equipment efficiently and thus to check wastage of time and resources.
- To prepare workers for promotion to higher jobs by imparting them advanced skills.

**Various methods of training:**

- a. **On-the-Job Training-** It allows employees to learn by actually performing a specific job or task. The employee will perform the job and learn as he goes. On-the-job training can be structured by using hands-on application supported by classroom-type instruction. It can also be unstructured using only hands-on application.

**Advantages:**

- Immediate feedback on performance
- Swift remediation if task is not performed to standard

**Disadvantages:**

- Can slow down production for the trainer
- Can disrupt the workflow

- i. **Job Rotation** - Job rotation teaches current employees how to do various jobs over time. The employee will rotate around to different jobs within the organization, performing various different tasks unrelated to his original job.

**Advantages:**

- Reduces employee boredom
- Increases skills
- Opens new opportunities to employees
- Hones in on employee interests

### **Disadvantages:**

- Employee may not be satisfied with the new rotation.
- Employee morale may decrease if employee is moved for a long period of time
- Can disrupt the workflow as employee learns new task or job

ii. **Job Mentoring:** Job mentoring involves providing an employee with an experienced coach to oversee his or her learning experience. The mentor or coach provides advice and instruction, but is not performing the job with the employee as in on-the-job training. The trainee employee learns the job firsthand and may consult the mentor or coach at any time for assistance.

b. **Off-the-Job Training:** Employers can use off-the-job training to provide employees a chance to learn away from their work setting. Besides classroom training, employers choose other formats such as e-learning. In a self-contained e-learning program, learners can work at their own pace, moving through modules, learning new tasks, sometimes trying tasks and completing assessments. E-learning can include discussions with other participants, scenarios in which employees must choose the right outcome, training videos, and games. Important methods include:

- **Lectures and Conferences:** Lectures and conferences are the traditional and direct method of instruction. Every training programme starts with lecture and conference. It's a verbal presentation for a large audience. However, the lectures have to be motivating and creating interest among trainees. The speaker must have considerable depth in the subject. In the colleges and universities, lectures and seminars are the most common methods used for training.
- **Vestibule Training:** Vestibule Training is a term for near-the-job training, as it offers access to something new (learning). In vestibule training, the workers are trained in a prototype environment on specific jobs in a special part of the plant.

An attempt is made to create working condition similar to the actual workshop conditions. After training workers in such condition, the trained workers may be put on similar jobs in the actual workshop.

This enables the workers to secure training in the best methods to work and to get rid of initial nervousness. During the Second World War II, this method was used to train a large number of workers in a short period of time. It may also be used as a preliminary to on-the job training. Duration ranges from few days to few weeks. It prevents trainees to commit costly mistakes on the actual machines.

- **Simulation Exercises:** Simulation is any artificial environment exactly similar to the actual situation. There are four basic simulation techniques used for imparting training: management games, case study, role playing, and in-basket training.
- **Management Games:** Properly designed games help to ingrain thinking habits, analytical, logical and reasoning capabilities, importance of team work, time management, to make decisions lacking complete information, communication and leadership capabilities. Use of management games can encourage novel, innovative mechanisms for coping with stress.

Management games orient a candidate with practical applicability of the subject. These games help to appreciate management concepts in a practical way. Different games are used for training general managers and the middle management and functional heads – executive Games and functional heads.

- **Case Study:** Case studies are complex examples which give an insight into the context of a problem as well as illustrating the main point. Case Studies are trainee centered activities based on topics that demonstrate theoretical concepts in an applied setting.

A case study allows the application of theoretical concepts to be demonstrated, thus bridging the gap between theory and practice, encourage active learning, provides an opportunity for the development of key skills such as communication, group working and problem solving, and increases the trainees’ enjoyment of the topic and hence their desire to learn.

- **Role Playing:** Each trainee takes the role of a person affected by an issue and studies the impacts of the issues on human life and/or the effects of human activities on the world around us from the perspective of that person.

It emphasizes the “real- world” side of science and challenges students to deal with complex problems with no single “right” answer and to use a variety of skills beyond those employed in a typical research project.

In particular, role-playing presents the student a valuable opportunity to learn not just the course content, but other perspectives on it. The steps involved in role playing include defining objectives, choose context & roles, introducing the exercise, trainee preparation/research, the role-play, concluding discussion, and assessment. Types of role play may be multiple role play, single role play, role rotation, and spontaneous role play.

- **In-basket training:** In-basket exercise, also known as in-tray training, consists of a set of business papers which may include e-mail SMSs,

reports, memos, and other items. Now the trainer is asked to prioritize the decisions to be made immediately and the ones that can be delayed.

4. **Define training evaluation. What are the types of evaluation of training?** (4)

Ans. **Training evaluation:** Evaluation involves the assessment of the effectiveness of the training programs. This assessment is done by collecting data on whether the participants were satisfied with the deliverables of the training program, whether they learned something from the training and are able to apply those skills at their workplace. There are different tools for assessment of a training program depending upon the kind of training conducted.

Since organisations spend a large amount of money, it is therefore important for them to understand the usefulness of the same. For example, if a certain technical training was conducted, the organisation would be interested in knowing whether the new skills are being put to use at the workplace or in other words whether the effectiveness of the worker is enhanced. Similarly in case of behavioural training, the same would be evaluated on whether there is change in the behaviour, attitude and learning ability of the participants.

**Benefits of Training Evaluation:** Evaluation acts as a check to ensure that the training is able to fill the competency gaps within the organisation in a cost effective way. This is specially very important in wake of the fact the organisations are trying to cut costs and increase globally. Some of the benefits of the training evaluation are as under:

- **Evaluation ensures accountability** - Training evaluation ensures that training programs comply with the competency gaps and that the deliverables are not compromised upon.
- **Check the Cost** - Evaluation ensures that the training programs are effective in improving the work quality, employee behaviour, attitude and development of new skills within the employee within a certain budget. Since globally companies are trying to cut their costs without compromising upon the quality, evaluation just aims at achieving the same with training.
- **Feedback to the Trainer / Training** - Evaluation also acts as a feedback to the trainer or the facilitator and the entire training process. Since evaluation accesses individuals at the level of their work, it gets easier to understand the loopholes of the training and the changes required in the training methodology.

**Types of evaluation of training:-** Evaluating the Training (includes monitoring) addresses how one determines whether the goals or objectives were met and what impact the training had on actual performance on the job. Generally there are four kinds of standard training evaluation:

- 1) **Formative:** Formative evaluation provides ongoing feedback to the curriculum designers and developers to ensure that what is being created really meets the needs of the intended audience.
- 2) **Process:** Process evaluation provides information about what occurs during training. This includes giving and receiving verbal feedback.

- 3) **Outcome:** Outcome evaluation determines whether or not the desired results (e.g., what participants are doing) of applying new skills were Achieved in the short-term.
- 4) **Impact:** Impact determines how the results of the training affect the strategic goal

#### **Evaluation Methods:**

- Evaluation methods can be either qualitative (e.g., interviews, case studies, focus groups) or quantitative (e.g., surveys, experiments)
- Training evaluation usually includes a combination of these methods and reframes our thinking about evaluation in that measurements are aimed at different levels of a system.

1. **Formative Evaluation:** Formative Evaluation may be defined as “any combination of measurements obtained and judgments made before or during the implementation of materials, methods, or programs to control, assure or improve the quality of program performance or delivery.” It answers such questions as, “Are the goals and objectives suitable for the intended audience?” “Are the methods and materials appropriate to the event?” “Can the event be easily replicated?”

Formative evaluation furnishes information for program developers and implementers. It helps determine program planning and implementation activities in terms of (1) target population, (2) program organization, and (3) program location and timing.

It provides “short-loop” feedback about the quality and implementation of program activities and thus becomes critical to establishing, stabilizing, and upgrading programs.

2. **Process Evaluation:** Process Evaluation answers the question, “What did you do?” It focuses on procedures and actions being used to produce results. It monitors the quality of an event or project by various means. Traditionally, working as an “onlooker,” the evaluator describes this process and measures the results in oral and written reports.

Process evaluation is the most common type of training evaluation. It takes place during training delivery and at the end of the event.

3. **Outcome Evaluation:** Outcome Evaluation answers the question, “What happened to the knowledge, attitudes, and behaviors of the intended population?” Outcome evaluation is a long-term undertaking. Outcome evaluation answers the question, “What did the participants do?”

Because outcomes refer to changes in behavior, outcome evaluation data is intended to measure what training participants were able to do at the end of training and what they actually did back on the job as a result of the training.

4. **Impact Evaluation:** Impact Evaluation takes even longer than outcome evaluation and you may never know for sure that your project helped bring about the change. Impacts occur through an accumulation of “outcomes.”

5. **Define Organisational Development. Elaborate its concept in detail.** (5)

Ans. **Meaning and definition of Organisational Development:** Organisation development is a body of knowledge and practice that enhances organisational performance and individual development. It views the organization as a complex system of systems that exist within a larger system each of which has its own quality, responsibility and degrees of alignment.

According to George R Terry, " Organisational development includes efforts to improve result by getting the best from employees, individually and as members of working groups.

According to Koonz et. al, "OD is a systematic integrated and planned approach to improve the effectiveness of the enterprise. It is designed to solve problems that adversely affect the operational efficiency at all levels".

Burke' has defined OD as "a planned process of change in an organisation's culture through the utilization of behavioural science technology, research and theory".

Now, OD can be defined as a long-term, more encompassing change approach meant to improve individual as well as organisational well-being in a changed situation".

### **Characteristics of Organisational Development:**

- OD is a systematic approach to the planned change. It is structured style of diagnosing organisational problems and opportunities and then applying expertise to them.
- OD is grounded in solid research and theory. It involves the application of our knowledge of behavioural science to the challenge that the organisations face.
- OD recognizes the reciprocal relationship between individuals and organisations. It acknowledges that for organisations to change, individuals must change.
- OD is goal oriented. It is a process that seeks to improve both individual and organisational well- being and effectiveness.
- OD is designed to solve problems.

### **Objectives of Organisational Development:**

- Improve organisational performance as measured by profitability, market share, innovativeness, etc.
- Make organisations better adaptive to its environment which always keeps on changing.
- Make the members willing face organisational problems and contribute creative solutions to the organisational problems.
- Improve internal behaviour patterns such as interpersonal relations, intergroup relations, level of trust and support among the role players.
- Understand own self and others, openness and meaningful communication and involvement in planning for organisational development.

### **Benefits of Organisational Development:**



- Provides opportunities for people to function as human beings rather than mere resources in the production process.
- Give each member of the organisation opportunity to develop to his full potential.
- Seeks to make the organisation more effective in meeting all its goals.
- Tries to create an environment in which exciting and challenging work can be found.
- Gives people in the organisation the chance to influence how they relate to work, the organisation and the work environment.
- Treats each human being as a person with a complex set of needs, all of which are important in his work and life.

**Assumptions of Organisational Development:** Organisational development is based on certain assumptions which are explained as follows:

- Most of the individuals are motivated by personal growth and development. However, the work habits of a person are a response to work environment rather than personality traits. The attitude of a person towards his job will depend upon his growth potentials, in most of the cases. Therefore, efforts should be made to change the way a person is treated in the organisation rather than attempting to change the person. The work habits of a person will change positively only if we change the work environment to suit his requirements.
- Highest productivity can be achieved only if there is effective integration of individual goals with the organisational goals.
- OD tends to assume that co-operation is more effective than conflict. In healthy organisations, efforts are made at all levels to treat conflict as a problem subject to problem solving methods. This is because of the reason that conflict tends to erode trust, prohibit collaboration and eventually limit the effectiveness of the organisation.
- Free expression of feelings is an important ingredient for commitment to work. Suppression of feelings adversely affects problem solving, personal growth and satisfaction with one's work.
- The level of interpersonal trust, support and co-operation should be as high as possible: because growth of individuals is facilitated by relationships which are open, supportive and trusting.
- There should be a sense of commitment among the employees in the organisation. Agreeing to do something is totally different from committed to do something. Sense of commitment makes it easy to accept change and the implementation of change is even easier when this commitment is based upon participation in the process.
- Organisational development cannot be implemented in isolation. It must be reinforced by the organization's total human resource system.

**Values of Organisational Development:**

- Away from a view of human beings as essentially bad toward viewing them as basically good.
- Away from avoidance or negative evaluation of individuals to confirming them as valuable human beings.
- Away from a view of individuals as “fixed” (i.e. being) toward seeing them as “being in process” (i.e. becoming).
- Away from resisting and fearing individual differences toward accepting and utilizing them.
- Away from utilizing an individual primarily with reference to his/her job description to viewing the individual as a whole person.
- Away from walling off the expression of feelings toward making possible both appropriate expression and effective use of feelings.
- Away from marksmanship and game playing toward authentic behaviour.
- Away from use of status for maintaining power and personal prestige towards use of status for organizationally relevant purposes alone.
- Away from distrusting people to trusting them.
- Away from avoiding facing others with relevant data toward making appropriate confrontation.
- Away from avoiding risk taking toward willingness to take risks.
- Away from a view of process work as being unproductive effort to seeing it as essential to effective task accomplishment.
- Away from primary emphasis on competition towards a much greater emphasis on co-operation.

From the above values, we can clearly understand why these are considered absolutely essential for the success of an OD programme.

**Limitations of Organisational Development:** OD is an important technique of introducing change. But as a method of inducing change, it has certain limitations also.

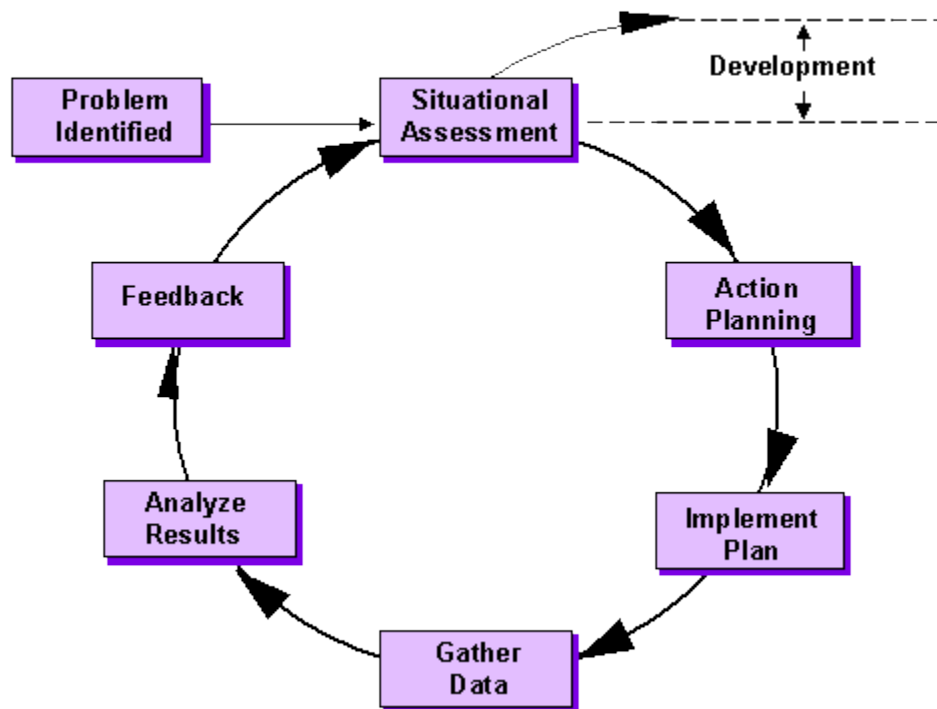
These are as follows:

- OD is based on the behavioural sciences concepts. Behavioural sciences themselves have many limitations, which are passed on to and applicable to OD also.
- OD requires the use of certain diligent and highly motivated persons, who can take initiative to bring about change. But in organisations, people are, generally, complacent who are not willing to make the required efforts and they are not helpful in implementing organisational development.

- OD cannot be applied without giving due consideration to the circumstances existing within the organisation. The local circumstances may pose a problem in adapting to change. Task of the organisation and the characteristics of its membership also put limitations on the effectiveness of OD.

6. **What is Organisational Development process. Explain its components.** (4)

Ans. **Organisational Development process:** The OD Process is based on the action research model which begins with an identified problem or need for change. The process proceeds through assessment, planning of an intervention, implementing the intervention, gathering data to evaluate the intervention, and determining if satisfactory progress has been made or if there is need for further intervention. The process is cyclical and ends when the desired developmental result is obtained.



The OD process begins when an organization recognizes that a problem exists which impacts the mission or health of the organization and change is desired. It can also begin when leadership has a vision of a better way and wants to improve the organization. An organization does not always have to be in trouble to implement organization development activities.

Once the decision is made to change the situation, the next step is to assess the situation to fully understand it. This assessment can be conducted in many ways including documentation review, organizational sensing, focus groups, interviewing, or surveying. The assessment could be conducted by outside experts or by members of the organization.

After the situation is assessed, defined, and understood, the next step is to plan an intervention. The type of change desired would determine the nature of the intervention. Interventions could include training and development, team interventions such as team

building for management or employees or the establishment of change teams, structural interventions, or individual interventions.

Once the intervention is planned, it is implemented. During and after the implementation of the intervention, relevant data is gathered. The data gathered would be determined by the change goals. For example, if the intervention were training and development for individual employees or for work groups, data to be gathered would measure changes in knowledge and competencies.

This data is used to determine the effectiveness of the intervention. It is reported to the organization's decision-makers. The decision-makers determine if the intervention met its goals. If the intervention met its goals, the process can end, which is depicted by the raising of the development bar. If it did not, the decision is made whether to continue the cycle and to plan and carry out another intervention or to end it.

### **Components of OD process -**

1. **Long-term effort:** It means that organization change and development take time. It is more accurate to describe improvement as a never ending of continuous change.
2. **Led and supported by top management:** Top management must lead and activity encourages the change effort. Top management must initiate the improvement journey and be committed to seeing it through.
3. **Visioning process:** Through this process organization members develop a viable, coherent and shared picture of the nature of the product and services the organization offered.
4. **Empowerment process:** It means that leadership behavior and human resource practices that enable organization members to develop and use their talents as fully as possible.
5. **Learning process:** It means those interacting, listening and self-examining process that facilitates individual, team and organizational learning.
6. **Problem-solving process:** It refers to the ways organization members diagnose the situation, solve problems, make decisions and take actions on problems, opportunities, and challenges in the organization's environment and its internal functioning.
7. **By ongoing collaborative management:** One of the most important things to manage in organizations is the culture. The prevailing pattern of the values, attitude, beliefs, assumptions, activities, norms and artifacts affect organization activities.
8. **Liberation Management:** Liberation management is that contemporary bureaucratic structures with their functional specialties and rigid hierarchies are all wrong for the demands of today's fast-paced marketplace.
9. **Using the consultant-facilitators role:** It conveys our beliefs that leaders can benefit from seeking professional assistance in planning and implementing OD initiatives.
10. **Action research:** It means the participative model of collaborative and iterative diagnosis and taking action in which the leader, organization members, and OD practitioners work together to define and resolve problems and opportunities.

11. **By intact work teams and other configurations:** It recognizes that teams can contribute in accomplishing works in organizations. The most prevalent forms of teams in organizations are intact work teams consisting of superiors and subordinates with a specific job to perform.

The above components are supposed to be present among the parties to OD programs. Some of the components may not sometimes be present during the programs.



7. **Define Organisational Development interventions along with its assumptions.** (5)

Ans. According to Prasad, " OD intervention refers to an activity that is carried on in an organization with the help of an internal or external OD consultant for achieving a given goal or objective. "

An OD intervention can be defined as "the set of structured activities in which selected organization units engage with a task or a sequence of tasks where the task goals are related directly or indirectly to organizational improvement in an OD intervention the entire process of diagnosis, alternative generation and making action choices are jointly conducted and OD will also examine the process of such diagnosis, action planning and implementation.

### **Characteristics of OD intervention:**

- An OD intervention will focus on the organizational processes apart from the substantive content of an activity.
- An OD intervention would generally focus on a work team as the unit of analysis and change towards effective behaviour.
- OD would normally view change as an on-going process and would rely on a collaborative management of work culture.

### **Method of OD intervention –**

While a wide range of OD interventions is available to a practitioner and a change agent, presenting them all would only lead to an avoidable confusion. Nor can all interventions be used in any one OD programme. Most authors have therefore developed a typology to comprehend the range and applicability of OD interventions.

### **Assumptions of OD intervention -**

- **Units of change are groups** - The basic building blocks of an organization are groups. Therefore, the basic unit of change are groups not individual.
- **Reduction of inappropriate Competition** - An always relevant change goal is the reduction of inappropriate competition between parts of the organization and the development of a more collaborative condition.
- **Decision making is located where the information sources are present** - Decision making in a healthy organization is located where the information sources are, rather than in a particular level of hierarchy.
- **Management of affairs against goals** - Organizations, subunits of organization and individuals continuously manage their affairs against goals.
- **Development of open communication, mutual trust and confidence** - One goal of a healthy organization is to develop generally open communication, mutual trust and confidence between and across levels.
- **People support what they help create** - People affected by a change must be allowed active participation.
- Most individuals have drives towards personal growth and development. However, the work habits are a response to work environment rather than personality traits. Accordingly, efforts to change work habits should be directed towards changing how the person is treated rather than towards attempting to change the person.
- Highest productivity can be achieved when the individual goals are integrated with organizational goals. Also with such integration, the quality of the product is highly improved.
- Cooperation is more effective than competition. Conflict and competition tend to erode trust, prohibit collaboration and eventually limit the effectiveness of the organization. In healthy organizations, “efforts are made at all levels to treat conflict as a problem subject to problem solving methods.

- The suppression of feelings adversely affects problem solving, personal growth and satisfaction with one's work. Accordingly, free expression of feelings is an important ingredient for commitment to work.

The growth of individual members is facilitated by relationships, which are open, supportive and trusting. Accordingly, the level of interpersonal trust, support and cooperation should be as high as possible.

The difference between commitment and agreement must be fully understood. Agreeing to do something is totally different from being committed to do something. Sense of commitment makes it easy to accept change and the implementation of change for the purpose of organizational development is even easier when such a commitment is based upon participation in the process.

OD programmes, if they are to succeed, must be reinforced by the organization's total human resources system.

8. **What are the factors that affect success of OD in global settings?** (2)

Ans. **Factors affecting success of OD in global settings –**

- **Cultural context** - Culture is a set of traditional beliefs and values that are transmitted and shared in a given society. It is also a total way of life and thinking patterns that are passed from generation to generation. Culture is assumed to be the primary vehicle for change within the OD tradition. By understanding different context or dimensions of organisational culture, and their level in a particular organization, the organisational development activities can be focused on those issues in organization that are possible and most important for change.
- **Economic development** - Economic development usually refers to the adoption of new technologies, transition from agriculture based to industry based economy, and general improvement in living standards . Economic development is the development of economic wealth of the countries, regions or communities for the well being of their inhabitants. From a policy perspective, economic development can be defined as effort that seek to improve the economy well being and economy