**Elham kouhi**

**Do you agree or disagree with the following statement?**

**The most important investment for a company is to spend money to improve the work skills of its employees.**

In accordance with the global advancements of life style, technology and social issues, there have been numerous debates over the matter of investing in employee training. Human capital have been playing a prominent role in a company’s economic performance. Even though financing other factors are important, offering training to employee is essential. As far as I am concerned, expending money on staff training is the most important and the best investment for a firm. There are innumerable reasons about my view point, which I will vindicate two conspicuous ones in the following paragraphs.

The first exquisite point to be mentioned is that in today’s competitive markets companies need to be up to date in all aspects in order to survive and compete with their competitors, so spending money to instruction employees and learning them new methods and ways and improving their abilities can enhance firm’s growth. On the other hand, offering training employee and give them opportunity to flourish makes them feel appreciated and increases a royalty. In this way they will get better perception of the business strategy and the business purposes. Also, ongoing training is the most important decision-making factor by job seekers today. Consequently, firm’s return will increase with this investment and many people will be applying for this company which emphasizes the training.

Another equally significant point is that although having fresh faces and recruitment new staff is useful for an organization because they bringing new ideas and they have incentive to look useful, high staff turnover can mean great amounts of disruption and wasted money. Therefore, maintaining talent employees and spending money to improve their abilities is the cheapest way which has the long term return. In addition, we must be ware about that if managements stay at the frim for a long time and don’t be changed, the entrenchment will be happening which has many harmful results; for instance, it may lead to conflict of interests between shareholders and managers and emerging of agency problems. As a result, investing in training a far more effective way to spend company’s budgets rather than on recruitment costs.

To wrap it up, firms can invest in many factors which could accelerate process of company’s development. I totally believe that the advantages of investing on the work skills of employees basically outweigh the pros of other investments. Retrospect to what I said, this is because staff training gives them value and confidence and make them expert. Therefore, it is undoubtedly important to value these effective reasons regarding the company’s investments.

Time: 44 minutes

Word count:424