

TRAINING AS A STRATEGIC IMPERATIVE



By Lori L. Silverman

How committed is your organization to employee learning and development? How much does it desire an increase in profits? These two questions are not separate business issues.

U.S. companies identified as demonstrating a significant commitment to training investment trained nearly 97 percent of their employees on average compared to 76 in other organizations in a 1999 study of 1998 training investments and practices conducted by the American Society for Training & Development. They spent about 3.6 percent of their payroll and provided 58 hours of training per eligible employee in 1998 compared to 2 percent of payroll and 29 hours per employee for firms that had not made a significant commitment. Over 23 percent of this time was training on technical processes and procedures. Benefits to these organizations included a higher rate of worker retention, providing higher levels of service to customers, measurable increases in value, and a heightened ability to stay competitive and diversify into new areas. These results held true for companies ranging in size from 1 to 499 employees.

What to provide in the area of training starts with the organization's strategic plan and its core values. The firm's values outline its training and education philosophy and its commitment to fostering employee growth; the strategic plan provides the framework for deciding on the types of learning opportunities it needs to provide to enhance the business. One of the first areas to assess for training needs is the organization's external environment. Key here are environmental regulations, industry standards, competitive pressures, safety

and health guidelines, legal issues, and customer needs. Once this information has been gathered, then training requirements can be identified for various groups of employees. A second area that needs to be reviewed are needs internal to the organization. Here, policies and procedures, corporate requirements, job descriptions, performance appraisals, and complaint data can be reviewed for organization-wide and/or job-specific learning needs. It is within this area that the organization will want to specifically address its strategic plan. In order for the long-range plan to be successful, it may dictate new or enhanced skills and knowledge throughout parts of or the whole organization.

Once all of these external and internal needs have been identified, they must be prioritized for the long and short term. Even though industry and/or government requirements will rise to the top of this list, other sorts of learning needs that will further the future of the business cannot be ignored. It is at this point that the organization will want to develop a list of proposed training topics and specific audiences who will need this training. How to deliver this training then becomes an important topic for discussion. While some topics may be better delivered via online or video technology (self-study courses), others may be better delivered using one-on-one mentoring or classroom training. Now, projected dollars and human resource requirements can be identified and all of this information brought together

into an overall training and education plan. Once this plan has been finalized, it needs to be built into the operational and strategic plans of the business and reviewed on a regular basis.

Training employees is not a luxury. It has become a business necessity in a rapidly changing world where customers and the general marketplace have become more demanding. Those companies that have invested heavily in employee development and training know through better business results that skilled, knowledgeable employees can truly be a competitive advantage. What does your organization need do to be recognized as one that invests in its people?

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