

**LEARNING  
EXECUTIVE  
THINK TANK**

LEARNING EXECUTIVE THINK TANK INSIGHTS

# Top 5 Ways to Communicate the Value of Your Training Programs



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## INTRODUCTION

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*“Today’s learning leaders are expected to retain, and even expand the relevance of training as it relates to the company’s success.”*

**In recent months, we have witnessed a rapid shedding of payrolls and budget reductions at all levels of the business community. The trickle-down effect of this phenomenon has impacted organizations of all sizes and in nearly all industries.**

Workforce reductions, funding limitations and revamped business initiatives have placed new pressures on learning executives. A smaller workforce in a highly competitive business climate demands that employees be better trained, have a wider range of capabilities, and be able to acquire new skills faster than ever before. Today’s learning leaders are expected to retain, and even expand the relevance of training as it relates to the company’s success.

In a third roundtable discussion, Tom Clancy, the VP of Education at EMC, and Tom Kelly, the former executive at Cisco, NetApp and Oracle, met with a handful of top learning leaders to discuss the messages and approaches they’re employing to communicate the value of their training programs. The panel included learning executives from a variety of businesses including global business consulting services, manufacturing, retail, financial services, and knowledge services.

***“In business, the bottom line is still king—and learning organizations must demonstrate how much they contribute to the revenue stream and help decrease operational costs.”***

To these leaders, we asked the following question:

***In these uncertain times, what compelling messages and approaches are you using to convince executive management and your training customers about the value of your training programs?***

As expected, training departments have not been immune to the effects of the recession. A recent industry survey indicates that only 25% of training organizations will increase their budgets in 2010. Our roundtable panel predicts that these budget increases will go to those who are executing and communicating the value of learning effectively to key management.

Our discussion panel indicated that the survival of the learning organization will rely on the successful implementation and execution of *relevant* training programs. And, while executives say training needs to be efficient, increasing efficiency isn't near as important as the ability to impact business.

As training crosses over into business alignment, it's important to target advocates for learning. When senior leaders evangelize key learning initiatives throughout the organization, this instills more value and longevity for those programs, and in turn, more funding.

Furthermore, measurement will continue to take a front seat in communicating the importance and pertinence of training to core business objectives. In business, the bottom-line is still king—and learning organizations must demonstrate how much they contribute to the revenue stream and help decrease costs.

## KEY FINDINGS

*“Learning programs should be properly aligned to the company mission and profit-center in order to be successful.”*

Our learning leader panel shared some of the approaches they’re using to communicate the relevance of their training programs to key executives and instill value to their customers. We uncovered these top five takeaways:

### **#1: Strategically Align Training to Business Objectives to Ensure It’s Value.**

*Training programs that contribute to the company mission are deemed as valuable and relevant.*

All of our panelists agreed that learning programs should be properly aligned to the company mission and profit-center in order to be successful.

According to a study published in *CLO Magazine*, 95% of corporate-employed individuals do not understand their company’s objectives and less than 17% understand how their jobs relate to overall strategy. The training department has a unique opportunity to improve employee understanding and contribution to the overall mission through programs that align themselves with corporate objectives.

Training initiatives are deemed properly aligned when:

- Programs contribute to organizational strategy and the bottom line.
- Activities are directly linked to corporate objectives.
- Through training, employees are able to see their part in achieving corporate goals.

*“It’s important to devise a system where you are consistently communicating to senior management the value of your training programs.”*

A couple of roundtable participants indicated that it’s important to devise a system where you are consistently communicating to senior management the value of your training programs—this is achieved by demonstrating *what* and *how* your programs are going to help achieve company goals.

A roundtable participant from a major information management services company indicated how he makes certain that every training activity is linked back to specific core business objectives. He has devised a system whereby learning programs are rated by value. Activities labeled “green” are those he’s willing to give up, if absolutely necessary. Those tagged yellow or red are vital programs that cannot be cut. This strategy has worked well for this learning executive in a number of ways:

1. The most valuable training initiatives are guaranteed to remain intact.
2. By offering suggestions for reduction, he is recognizing the ‘pain’ felt by top executives and is demonstrating a willingness to compromise for the ‘good’ of the organization.
3. By ranking training programs by importance, he remains the decision maker for those initiatives that are kept and those that are expended.

*“Every learning program needs to be designed around the profitability, productivity, cost management, and growth of the organization.”*

## **#2. Learning Leaders and Programs Need to Speak the Language of Business**

***Training that addresses real business challenges receives attention and is deemed credible.***

Considering the tenuous corporate climate, it's important that training specifically address today's business challenges in order to instill value. Learning executives need to be armed with innovative solutions that solve real problems.

One roundtable participant, who heads the learning department at an IT consulting firm, noted that learning leaders need to know ***how to speak the language of business***. Every learning program needs to be designed around the profitability, productivity, cost management, and growth of the organization. Your training needs to speak in “hard numbers.” This way, executives will recognize the value of the program. Furthermore, you need to market your training results to top executives. This includes: communicating how much you've saved the company through cost-cutting measures, reporting the direct results from recent programs and projecting the specific benefits of new programs.

When learning speaks to relevant business problems, it becomes part of the fabric of the company. One learning executive from a software company has created an enablement campaign that utilizes the expertise and experience of the company workforce and vendors to create learning content that will be used across the organization. This learning executive has created a true learning culture—where the entire organization becomes a teaching environment. This peer-to-peer learning engages every tier of the company in the creation and delivery of training content. Not only has this learning executive gained the respect of top company executives, but has also made learning relevant on a company-wide scale—expanding the power of learning without increasing the budget.

***“Measurement is most effective when you are able to draw precise correlations between individual programs and productive outcomes following its implementation.”***

### **#3. Learning Metrics are Key**

***You must measure...but more importantly...you must measure the impact on business.***

Keeping credibility requires that learning be measured. According to a study published in *CLO Magazine*, 47% of companies rarely measure the impact of workforce development on productivity. By not properly using metrics to measure learning effectiveness, training executives miss out on a huge opportunity to expand learning and increase the applicability of training.

The roundtable participants agreed that measurement is critical to the credibility of training. One panelist pointed out that measurement is more effective when you are able to draw precise correlations between individual training programs and productive outcomes following its implementation.

Another learning executive from a prominent retail company said she used metrics as a marketing tool to launch a campaign on the corporate website. Because of its impact on sales and positive influence on the high profile organizations they support, her department received a budget increase.

Another learning executive said he used metrics to demonstrate that 30 days after training 60% of the targeted sales force on a new product, sales of that product rose dramatically ('hockey sticked'). He proved this occurred at 6 months, 4 months, and 3 months for three different products—which was significantly different from the historical average of nine months for a new product.

*“One challenge of the training departments is opportunity cost. Removing employees from their ‘productive activities’ for the sake of learning may seem counterproductive to some executives.”*

Similarly, you can use metrics to let clients speak for you. Increases in productivity speak volumes about the value of your programs. One learning executive on our panel noted, after being asked by executives to explain how his department is achieving efficiency, did so via a survey. This survey yielded a 75% increase in productivity as a result of training.

#### **#4. Increase Training Value through Efficiency**

***Executives say they want efficiency, but make sure efficiency translates into business impact.***

Willingness to cut costs, find innovative and efficient methods of training and reduce time lost for training will help maintain your value and credibility. Executives want to believe that they are getting value for their investment. For every training dollar spent, they want to see two dollars returned to the organization.

One challenge of training departments is opportunity cost. Removing employees from their “productive activities” for the sake of learning may seem counterproductive to some executives. One of our roundtable participants from a major financial services firm noted that his company invests 80 to 120 hours of training in each employee annually. Each of these employees bill on average, \$250 per hour—so removing them from their ‘job’ for the sake of training is costly. In an effort to maximize training and minimize lost productivity, he made appropriate accommodations so that they can remain productive during the training cycle.

No matter what area of the company you operate in, all activities have costs and values associated with them. One participant noted that it is important to let everyone know when a program or activity yields positive results. This instills a sense of value in their minds that may help you weather the occasional failure. Proving the effectiveness of training will make training too valuable to cut when budgets are being reduced.

*“When leaders directly impart the skills and lessons they’ve learned to the individuals on their teams, they bring learning closer to the business.”*

## #5. Enlist Learning Champions

***When senior leaders evangelize key business and learning initiatives throughout the organization, people pay attention.***

Champions are top executives who truly *believe* in training, *believe* in the programs currently in place, communicate their support, and even engage in training throughout the organization. They provide credibility and support at the top, and thus, provide a better opportunity for learning to infiltrate the entire organization.

In a book *Learning in Action*, by David Garvin, the author makes the case for senior leaders as advocates. He cites research that supports executives devoting more of their time to teaching and training as a crucial element of creating a learning organization. Garvin writes:

“The teaching role provides a broad base of knowledge and understanding, gives purpose and meaning to organization members, and ensures commitment to common goals.”

When leaders directly impart the skills and lessons they’ve learned to the individuals on their teams, they bring learning closer to the business, give more credibility to the learning experience and make all participants more accountable:

- Learning is seen to have more of an impact and better integrates top-level management.
- Company executives play a bigger role and are more engaged in the learning organization.
- Learning champions help promote a knowledge culture.
- Learning becomes more meaningful and is better received company-wide.

*“Champions allow you to tap into the wisdom and expertise at all tiers of the organization—making learning empowering.”*

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One of our participants implemented across the highest levels of the organization Cross Functional Education Councils. These councils helped ensure that the same training methods were being used throughout the company to achieve core initiatives. This champion approach helped better align the business units with the learning department and engaged upper level executives in training development. The result was that they felt a sense of investment in the process and engaged more deeply in ensuring that the program succeeded.

Another participant, who works for a high-profile retail company, has introduced an executive development program that incorporates three expectations of all leaders:

1. Lead Your Business
2. Lead Your Team
3. Know Yourself

She indicates that all training is now aligned to this theme and they're beginning to bring that message into the business from a leadership and employee level. The big change for them is in the message that "Leading Your Team" (and participating effectively on teams to win the business) is just as mission-critical as "Leading Your Business." Team and people leadership has not been a strong message in the recent past, but this participant is vetting the concept in the U.S. and expects that the theme will be picked up globally in the near future.

## CONCLUSION

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The current economic climate leaves little room for wasted time or money. Companies require an increasing return on investment at every level and in every department of the organization. Learning executives who are innovative, speak the vernacular of corporate executives, create meaningful metrics from their training initiatives, and champion the support of company execs will remain valuable to the organization and have the best chance of survival in a troubled economy.

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This white paper is one of six roundtable discussions planned for 2009. To find the latest results from each roundtable discussion, visit <http://www.trainingefficiency.com/> .

This roundtable discussion was sponsored by Expertus [www.expertus.com](http://www.expertus.com), a learning services firm with over 500 learning specialists who help companies like Cisco, ADP and Lockheed Martin optimize every aspect of their learning organizations.

### Roundtable Hosts



#### **Tom Clancy**

Tom Clancy is Vice President of Education Services and Productivity for EMC Corporation. In his career at EMC, Tom has held various field and corporate roles, primarily in partner management of Original Equipment Manufacturers, Independent Software Vendors and Channels. Prior to Education Services, Tom managed Global Sales Productivity, focusing on field development, best practices and change execution. Since 2002, his chief responsibility has been to re-align training initiatives to meet the requirements of EMC's business model transformation from a hardware product company to a technology-led provider of systems, software and services. Under Tom's direction, EMC has transitioned from traditional ILT to a much more blended JIT and situational learning approach for specialization and consulting.



#### **Tom Kelly**

Tom Kelly has more than 25 years of experience in the education and training industry and has held positions at NetApp, Cisco, Oracle Corporation, Sun Microsystems, NeXT Corporation and Control Data Corporation. Tom is currently a trusted advisor for a growing list of clients, including small to mid-sized companies focusing on learning organizations systems and strategies.