On-Site vs. Off-Site Training

Carefully considering all the pluses and minuses will secure the best ROI for the program. BY GEORGE SELI

In the early 2000s, the Field Training department of Farmers University set out to develop the ideal learning experience for its agents, a project that ultimately would lead to the establishment of the University of Farmers in 2003. Dave Nystrom, LUTCF, head of Field Training - University of Farmers, says his team “identified four key elements that must be world class: content, facilitation, logistics, and environment.” With the University of Farmers’ state-of-the-art, 120,000-square-foot facility in Agoura Hills, CA, the “environment” component of the formula is certainly in place, with full control over the classroom design and amenities that support learning. “We know that the typical hotel, meeting facility, or even college has some type of limitation that would restrict us from doing it world class,” says Nystrom, citing a need for elements such as top-quality ergonomic chairs, extensive whiteboards, and multiple projectors.

Companies that lack a physical corporate university, however, often face a basic site choice for their learning programs: Are they best held on-site at company offices, or at an off-site venue, such as a hotel, conference center, or college campus? Numerous factors can weigh in favor of each choice, and the decision-maker—whether a chief learning officer, training manager, or meeting planner—must carefully consider the pluses and minuses with the aim of maximizing the program’s return on investment (ROI).

SAVING DOLLARS AND TIME

Perhaps the most obvious advantage to staying on-site is avoiding expenses such as transportation, lodging, meeting room rental, and, to some degree, food...
and beverage (F&B), not to mention the resources spent on site searching. And this cost saving becomes more significant as training needs increase. For example, Grapevine, TX-based GameStop established its on-site training center two years ago for its many sessions that have less than 50 participants. “Prior to that, we did them off-site at the closest hotel, which increased the budget when we started to do a lot more training,” relates Judy Anderson, CMP, senior manager, Meetings and Travel. “We do catering here from our corporate office, so we’re able to get reduced F&B costs. And we have our IT department help us with the audio visual (AV) equipment when needed, so there’s no AV costs.”

But protecting the bottom line via on-site training isn’t just about cost avoidance. Todd Hanson, president and founder of Appleton, WI-based Catalyst Performance Group, Inc., notes that in some cases it’s also about creating the perception of cost-consciousness. “In tough economic times, an organization wants to show to employees and also external people that it’s handling its money carefully, because it doesn’t want to end up in the crosshairs of an antagonistic media,” he explains.

In addition to cost avoidance, on-site training minimizes the loss of valuable time in the office. “Think of a sales team: If I take them off the field, every second they’re in training and not selling, we’re losing money,” observes Steve Bookbinder, CEO and cofounder of New York, NY-based Digital Media Training. “So sometimes they’ll do training in their office just to keep them close; participants can leave at breaks and go back to their desks.”

That accessibility to the office also allows participants to quickly address any business needs that may arise. On-site training also enables non-participating staff to make impromptu contributions to the training. “Having it here at the home office means attendees will be able to meet with our executives, who can just pop over, do a quick intro and presentation, and then go back to work,” Anderson notes.

**THINK CAREFULLY**

Partly due to such advantages, Bookbinder feels there is a general trend to train on-site, but the decision to do so often is not considered carefully enough, he adds. “In my life, I’ve done 4,000 workshops for clients such as Moody’s, Bloomberg, and Discovery, and what I’ve seen is that there has always been and continues to be too much of ‘Let’s do the training in our own offices.’” The problem, he explains, is that companies may not be considering the adequacy of their facilities, the “environment” factor essential to ideal learning. So while they have reduced the investment portion of ROI by staying on-site, they also may have reduced the return by compromising the learning experience.

“Suppose you have a conference room with a big table in the middle where you have a one-hour meeting with 37 people sitting around this table. And at the end of an hour you get up and leave,” Bookbinder says. “Compare that to a two-day training in that same room with another 20 people around the edges. Physically, they fit. Is it a fire hazard? Probably. Are they comfortable? Is it an ideal learning environment? No. But I find that when the space is tight, they’ll still tend to do it that way.”

Hanson recently facilitated an executive council meeting for a major moving and storage company that focused on improving employee engagement. With only eight attendees, the quarters were not cramped, but there were negatives nonetheless: “The meeting started late, as executives were tied up with operational issues,” Hanson relates. “Breaks went longer than planned due to the mingling of meeting attendees and home office personnel. In fact, in a couple of cases, people had to be chased down. Also, the agenda had to be adjusted to accommodate visitors to the home office.”

Hanson also cites several minor interruptions from headquarters staff during session time. “There are emergencies within a business when people can rationalize interrupting a meeting if it’s there on-site; off premises they’re just not going to do it,” he says.

“At times we’ve run leadership development programs in our training center,” notes Michael Molinaro, vice president and CLO at New York Life Insurance Company, “and we realize that senior leaders sometimes can be caught up in what’s going on here day to day. Being physically in the building, it can be difficult to mentally break from their work. Going away [to a corporate retreat] allows participants to both physically and mentally separate from the work environment and understand that they’re putting that time aside [for learning].”

Anderson echoes that concern with on-site training: “The biggest risk is being distracted because if we have people

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**ON-SITE BENEFITS**

1. Save transportation costs, and potentially lodging, food and beverage, and audio visual equipment
2. Save site search time
3. Maintain the public and/or internal perception of cost-consciousness
4. Participants are better connected to business needs
5. Opportunity for impromptu participation by office staff

**OFF-SITE BENEFITS**

1. Potentially better facilities, amenities, and meeting services
2. Less chance of business-related distractions and interruptions, improving focus and control of start times and break durations
3. More memorable setting and experience
4. Stronger implicit message to participants that the company invests in training
5. More robust opportunities for networking and teambuilding

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flying in from across the U.S. and we know they’re here, then there’s often the need to go and speak with them while they’re on-site, to get their input or feedback on something. So ancillary or pop-up meetings are a challenge [to maintaining the training focus].” Indeed, according to a Hilton Worldwide survey released in November, 63 percent of respondents (607 bookers or decision-makers for a small off-site business meeting booked within the last year) indicated that meetings outside of the office are more productive.

COMPANY CARING

The relative lack of distractions is one reason for the increased productivity, but a certain psychological factor also may come into play, a sense that “we’ve invested in this off-site location, now we should make the sessions as productive as possible.” There also may be an implicit message sent to participants: “The company cares enough about your professional development to invest in an off-site locale.” That, in turn, fosters engagement with the company. In fact, 67 percent of respondents to the Hilton Worldwide survey said they would book meetings outside of their normal place of work in order to enhance their company’s image.

An off-site location can make the training that much more “special” and memorable, not only due to the change in environment, but also because the setting can allow for a richer experience. “We think one reason to go off-site is the value for participants in spending time together outside of the classroom, networking or doing assignments together in preparation for some other event,” says Molinaro, who favors sites such as Mohonk Mountain Resort in Hudson Valley, NY, or the Dolce Norwalk Hotel & Conference Center in Stamford, CT. “We always try to take advantage of the setting, so on one of our leadership programs at Mohonk Mountain House, we run an activity where participants hike up the mountain, and people have a coaching conversation along the way up. So they get outside and they’re still doing that work, but it’s in an active setting, and they value that.”

The “getaway” aspect to remote training is also appropriate for certain kinds of sessions; for example, where brainstorming or creativity is involved. That tends to justify the investment in a more insulated environment. “For our 14-month training program for high potentials, we do part on-site and part off-site, depending on the content we’re covering,” Molinaro relates. “Content where learners are deeply immersed around personal discovery, where they have to do a lot of reflection or are going to be in kind of an experimental mode, trying on new ways of working or behaviors—those can be good times to get people in a new environment to establish a safe space and clear their head.”

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