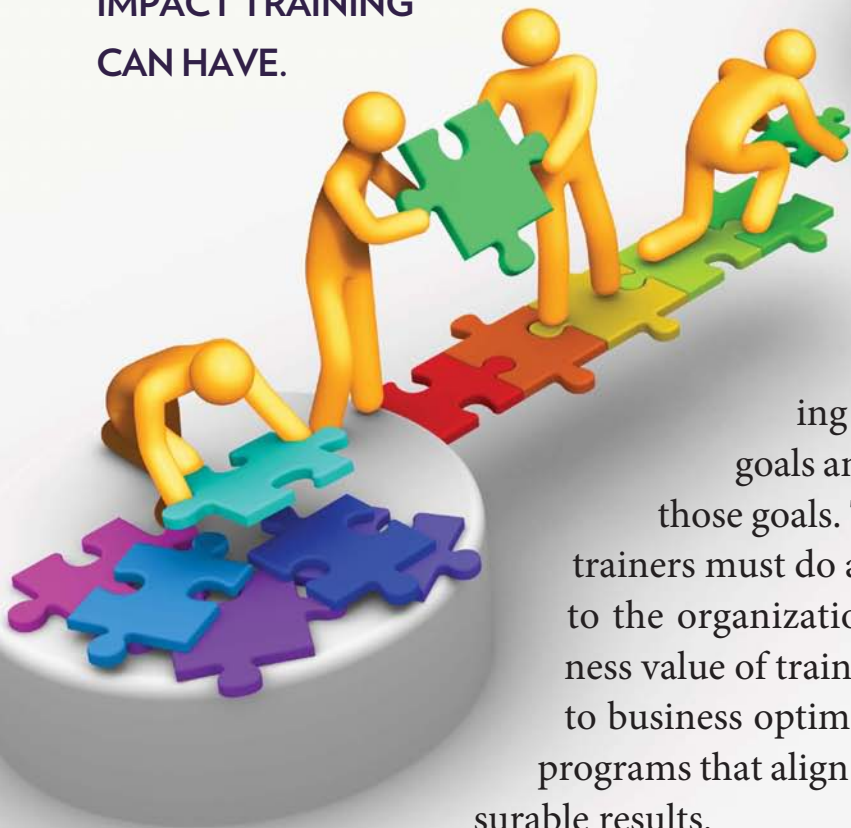


Proving Training's Value: Linking Training to Business Outcomes

BY BOB LEE

TRAINERS MUST BECOME SAVVIER ABOUT EDUCATING MANAGEMENT AND PROVING THE IMPACT TRAINING CAN HAVE.



In tough economic times, training is among the first things to be cut. One reason for this is the failure of training organizations to align training to business goals and measure the impact of their programs on those goals. Training is a business-critical function, but trainers must do a better job of proving the value of training to the organization. This article will explore the true business value of training, explain the role of training as it relates to business optimization, and discuss ways to build training programs that align with business objectives and produce measurable results.



MEASURING A TRAINING PROGRAM BY ATTENDANCE OR REACH DOESN'T FULLY EVALUATE WHETHER THE TRAINING WAS EFFECTIVE.

According to Bersin & Associates, training budgets have fallen victim to the economic downturn as organizations have slimmed down training programs. A report issued by the firm in January 2010, titled *Corporate Learning Factbook*, found a 22 percent drop in training budgets between 2008 and 2009. Why are training budgets routinely trimmed, even in good economic periods? The answer is simple: Corporate decision makers don't see the value of training, mostly because trainers are failing to communicate the value of learning in business terms.

Training managers often measure their contribution in terms of employees trained, not impact to the bottom line. There is a real disconnect between the two, and there shouldn't be. Training is a business-critical function, but trainers must become savvier about educating management and proving the impact training can have on the bottom line. An organization's corporate training program should support business optimization strategies and align with business goals—for both internal and external audiences.

The first and most important question trainers must ask themselves when planning a new learning initiative is: Does this effort support my organization's goals,

and how will I measure its impact in business terms?

For example, rather than measuring success by talking about how you trained 400 sales people in two weeks on the new product your company just launched, you should be communicating that you shaved two weeks from your previous product launch training cycle, giving the sales organization two additional weeks of selling time. This is a result that affects the bottom line, and it shows a direct correlation between the learning function and the goals of the business.

Choosing and Evaluating Training Methods

In today's fast-paced environment, the ability of a team to quickly learn and apply new information and skills is critical to an organization's ability to execute or even survive, but many leaders don't realize that their business could be crippled without this. The key is ensuring that learning programs are recognized for the value they bring to the organization's effectiveness. Employing a marginally effective program isn't much better than not having one at all, so trainers must learn to match the business goals to the training methodology that provides maximum impact.

Challenges

Across the board, a major pain

point for trainers is the difficulty of engaging their audience. Coupled with the challenge of engagement is measuring the success of corporate training. Most measure this simply based on numbers trained, but this doesn't communicate the true value of training programs to C-suite and key decision makers. Measuring a training program by attendance or reach doesn't fully evaluate whether the training was effective or contributed to the success of the organization.

In addition to building engagement and accurately measuring effectiveness, understanding participant behaviors is also critical in determining the best training methods, tools and environment. Research has shown that different audiences and age groups respond to different training methods and information channels. Gen X and Y audiences are mostly self-directed learners, having grown up in the Google era. When these individuals want to know something, they go and find the answers for themselves—these behaviors are reflected in both their personal and professional lives. In contrast, the majority of Baby Boomers feel more comfortable with outer-directed learning, having the company organize and determine what they will be trained on and when that training will take place.

To improve the learning process, build engagement and drive

business value, it's helpful to look at the training methodologies in use today. These include:

- **Asynchronous or “On-Demand” Learning:** Asynchronous learning is a student-centered teaching method, often leveraging online learning resources, that allows students to complete training sessions on their own without live interaction from the instructor.

ing videos or slide decks? With our attention divided, how effective can the learning experience be?

- **Synchronous or “Live” Learning:** Synchronous learning is instructor-driven and is commonly delivered in brick-and-mortar classrooms or via online, virtual classroom tools.

Benefits: Live instructor-led training in traditional classroom settings is often considered to be the most effective learning environment, as it turns a “training” into a “conversation” and provides context and the ability to agree, disagree and ask questions. Studies have shown that virtual classroom solutions in the hands of a skilled instructor can offer the same high degree of interactivity found in traditional classroom settings while saving organizations substantial costs by reducing or even eliminating the need for instructors and students to leave their work environments to attend classes.

Drawbacks: For many organizations, bringing their people into a central location for traditional classroom training is becoming more and more cost-prohibitive. As a result, the adoption of online tools to provide live virtual classroom instruction is on the rise. Reducing travel expenses is a key driver in the adoption of virtual classroom tools, although there are many other benefits such as the ability to offer learning to remote and often underserved audiences and giving learners more im-

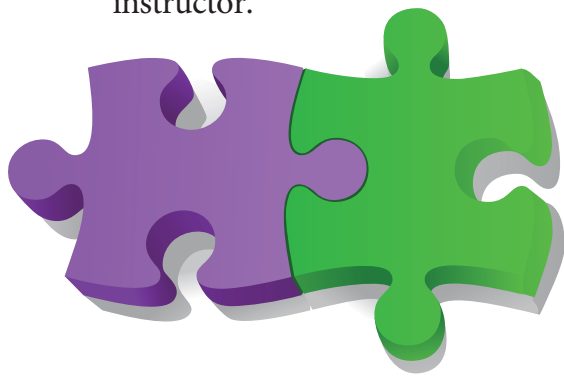
mediate opportunities to apply what they have learned in class to their work.

- **Blended Learning:** Organizations are increasingly adopting blended learning, courses that leverage both asynchronous and synchronous learning in a “blended” environment.

Benefits: This approach, if applied properly, can provide an optimal mixture of on-demand learning with live, classroom instruction. By leveraging asynchronous learning to deliver learning content that does not require a high degree of context and interaction, organizations can provide learners with greater flexibility and control to learn at their own time and pace while reserving instructor-led classes for situations when the subject-matter expertise of an instructor and interactions between instructors and learners are critical to the learning experience.

Drawback: Blended courses often require more development and coordination than individual on-demand or live classroom sessions.

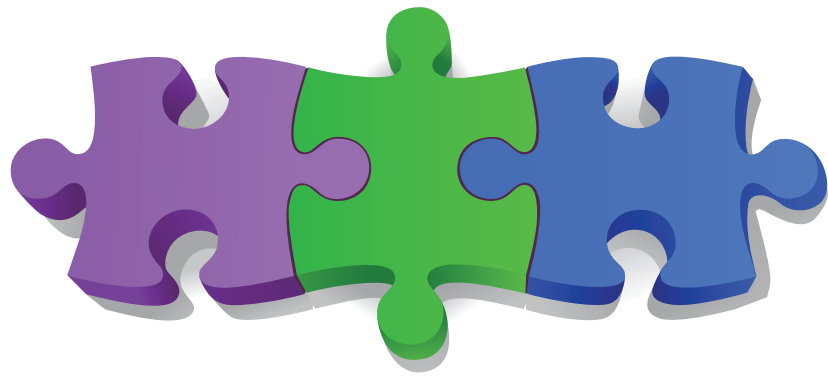
At the end of the day, training, at its best, is a guided conversation. Corporate trainers will say that classroom discussions often go off track, evolve and grow, but those are also often the most valuable moments in a class, when learners are engaged and the atmosphere is collaborative.



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Benefits: Independent workers (e.g., remote workers, field sales and service staff, contractors, etc.) often prefer this particular learning environment because it allows them to access learning at their convenience.

Drawbacks: Learners may choose not to take the course, or if they do, it may be hard to keep them interested and engaged. How many of us multi-task when watching train-



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Leveraging Training for Internal and External Business Acceleration

Now that we've covered the anatomy of training programs, let's dive into the untapped potential of training programs and how organizations can effectively leverage them to accelerate internal and external business outcomes and drive value.

From an internal perspective, training can play a critical role in facilitating smooth product and service rollouts across employee teams by decreasing downtime between technology transitions and ultimately increasing productivity.

For example, training can play a critical role in accelerating internal business goals. IT challenges are ever-changing, and internal product or service rollouts can take weeks, months or even years to be fully implemented across the workforce. In today's business climate, companies cannot afford

these lengthy transitions because they often translate to decreased productivity and more time spent dealing with interoperability issues between IT solutions. Employees are therefore less efficient, which also takes its toll on the bottom line. Implementing a timely, engaging training program can make a significant difference in operational efficiencies. Ultimately, the business impact of training is self-sustaining: effective internal training increases productivity, which increases revenue, which enables continued investment in training budgets.

Likewise, external business acceleration can be heavily influenced by training programs. From an external perspective, training can be an effective sales tool and a revenue driver. Training can help prepare sales teams to effectively service customers, as well as delivering customer education once a sale has been made. Successful product and service rollouts to

sales and service teams, as well as customers, can make a huge difference in the adoption of a new product. Being able to quickly educate the sales team for customer interaction accomplishes two things. First, it minimizes the business operations aspect of a launch. Secondly, it maximizes time dedicated to sales. Having the sales force spend less time focused on operational procedures and more time in front of the customer can have a profound impact on revenue, with training playing a large role in the start of any major product push.

A comprehensive customer training program can be instrumental in ensuring that customers understand the value and effective use of your products and services and can be a critical factor in retaining your customers. Training programs that are optimized to business outcomes will have a direct impact on the success of any organization. It's critical that

Additional Resources

- [The C Level Perceptions of the Strategic Value of Learning report](#) by Tony O'Driscoll, Brenda Sugre and Mary Kay Vona for IBM and the ASTD
- [Achieving Business Alignment: Linking Learning to Performance](#) – Training Industry Webinars
- [The Business Case for Measuring Learning](#) by Jeffrey Berk – Training Industry Quarterly, Spring 2010
- [Bellevue University Human Capital Lab: Measurement of Business Impact](#)

trainers identify the right communication channels to create an engaging and measurable learning structure to support internal and external business acceleration strategies. If presented in this light, the case can be made that an effective training function can be as valuable to your business as sales and tech support.

Aligning Training With Business Outcomes

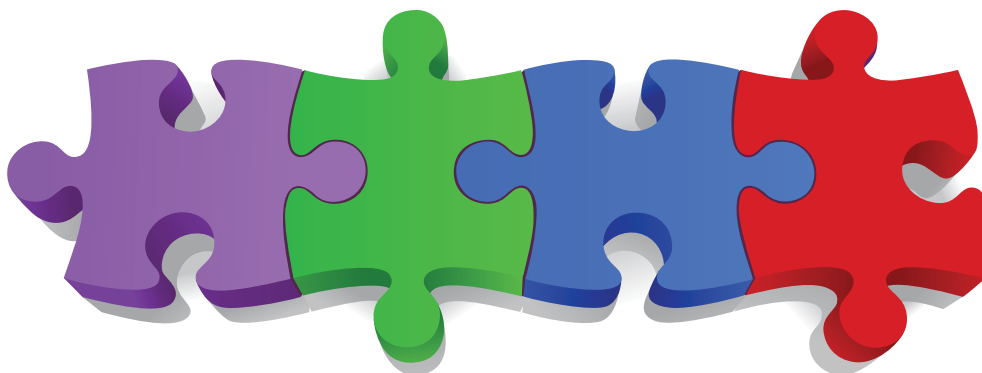
Corporate learning programs must not only stretch dollars, but also make sure those resources count, ultimately proving true business value. Measuring training the “old” way isn’t sufficient to justify its value in supporting businesses that must compete in today’s economy. To contribute to the success

of the company and avoid budget cuts, training organizations must align their programs to business goals, continue to embrace new learning tools, and communicate the value they deliver to key stakeholders.

Educating the powers that be is critical. Trainers should be able to say to the C-suite and budget decision makers, “I am contributing to the bottom line, and here’s how.” Key decision makers must understand the potential impact that training programs can have, and corporate trainers need to know which tools to harness, when to implement them and how to communicate their value to the rest of the organization. Training organizations must understand how training can be leveraged internally and externally to drive business value—and begin measuring this impact as it relates to the bottom line, continuing to communicate this value to internal stakeholders.

Only by looking at training as a business-critical function and measuring its impact in business terms can organizations begin to leverage learning to drive business opportunities and gain competitive advantage.

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Takeaways

- Corporate training programs can and should be measured against the bottom line. Doing so shows whether or not an organization’s training program is aligned with business goals and strategies.
- Aligning the corporate learning structure to work closely with and support other parts of the organization (e.g., IT, sales, marketing, etc.) is critical to the survival and success of the learning function.
- Learning organizations must improve their efforts to educate management on the value of the learning function as it relates to business goals.