#### **Discussion Guide**

Welcome to ThinkHR's quarterly human resources master class series designed to provide best practice insights into the key elements of management to help you run your businesses with excellence. This session covers one of the most important management initiatives that truly makes your business the best it can be. We believe that there is no better way to show your love for your employees than with focused development and training programs designed to help each employee be all he or she can be.

Numerous studies have shown that the most effective leaders lead with love. They are often called "servant leaders", as discussed in his book "Love Works" by Undercover Boss and CEO of Hershend Entertainment Industries, Joel Manby, or typified as "Level 5 Leaders" by Jim Collins in his best-selling book "Good To Great".

Whatever terms you use lead to the same conclusion: Showing your commitment and loyalty (and yes, love) to your employees by developing them leads to higher levels of engagement, productivity, commitment and loyalty in return. Both the company and the employee win with this organizational initiative.

### Management support for training initiatives

This is the most critical part of your job – not only getting the approval to invest in a development program but getting executive buy-in and involvement. Your rationale and justification has to be compelling so that your executives put some "skin in the game". Otherwise, your efforts may be viewed as "just another HR program we HAVE to participate in". You want this program to succeed and it will when executives and employees of all departments want to part of the most important strategic initiative in the company. In order to make that happen, you will need to be able to answer the following questions:

- > Is developing our employees really worth the investment?
- > Can you show us the hard data to prove why we should spend our resources for it?

The key is to define what that training investment buys for the company. Consider that the prime competitive differentiator in any organization is how that business delivers its products and services to its customers. How is that product or service delivered? It's done by the organization's employees. Well-trained and motivated employees create value for the business, and those who are not can quickly destroy value.

First of all – and we cannot stress this strongly enough – LINK YOUR DEVELOPMENT ACTIVITIES TO YOUR BUSINESS STRATEGY AND PRIORITIES! This is the strongest way to make an effective case for building your learning culture.



#### Do's and don'ts

#### Don'ts

- > The rationale that "other good companies train employees and in order to be competitive we need to do the same" is not always a compelling argument to your board of directors.
- > Using the emotional argument that "training is the right thing to do to keep good employees and have everyone feel good about working for us" is an even less effective justification in the board room.

#### Do's

- > Share information emphasizing that employees who know their jobs and are up-to-date with the latest knowledge and skills are generally more productive, and this productivity can be measured.
- Remind management that companies known to invest in their employees attract better candidates superstars want to tie their careers to high-performing companies that will invest resources in their personal success.
- > Stress that employees who can see that the organization cares about their development (as well as their productivity) are generally more satisfied in their jobs and less likely to leave, and those retention statistics (and costs for hiring replacements) can be measured. Those same highly-satisfied employees are more likely to produce the company's products and services with care, creating less quality issues and greater customer loyalty while building a winning brand in a company others want to be a part of.
- > Offer that some types of internal training programs can enhance communications when the entire company is using the same key terms and work processes; and that shared internal messaging and shared values furthers the "branding" and shared commitment to the goals of the company.

Some of these reasons to develop employees may be easier to quantify than others, but all can be valid justification for training

- > Don't rely in external benchmarks; instead, tie internal numbers to the company's strategic priorities.
- > Best practice companies then conduct an organizational scan of the resources required to execute those strategies, honing in on the human capital resources available to deliver those strategies.

### Simple analytics for training

Andy Grove grew Intel into an international powerhouse and is a great believer in training. Grove's simple model for justifying training was easy to calculate and understand. Here's an example:

- > You have 10 managers who are relatively new to management and you believe that they need training to handle difficult employee conversations more smoothly to drive performance in their work teams.
- > You calculate that each one of these employees works 2,300 hours per year for your company, or 23,000 hours in total.



- > The management training consists of a series of 4 courses and 8 hours of time to complete the courses. This results in 80 hours of time invested to understand a management skill that can improve the managers' effectiveness and enhance the productivity of the work group.
- > If that training results in a 1 percent improvement in performance for that management group, that would result in a gain of 230 hours of work as a result of 80 hours of investment plus the cost of the course.

Not a bad ROI, especially if the groups improve by 5 or 10 percent!

### Consider employee retention

Companies leave people more often than people leave companies.

There is a common trend as to why people leave companies that emerges year over year and is not dependent upon the industry. Management often centers upon the financial reasons that employees most frequently give their supervisors for leaving. The deeper follow up question asks why that employee took the call from the headhunter or applied for that job in the first place — even before money, benefits, or perquisites are discussed — and gets to the root cause for the departure.

The common threads leading to employee retention issues generally fall into two areas that are easily addressed by investing in training and development:

- 1. The employee felt the investment in his time and efforts was one-sided, and he didn't feel that he was learning enough to advance his career within the company or within the profession the old "input/output" theory at work; or
- 2. The employee disliked his manager due to the manager's poor management practices, generally in the areas of poor or inappropriate communication, lack of constructive feedback and support, lack of mentoring or making new opportunities available for leaning, or micro-managing projects.

Further, according to a recent Harris poll, 41 percent of employees who report "poor" training opportunities at their job plan to leave, compared to just 12 percent who report excellent training programs.

### Determining the right training method

The general rule for training managers in determining the best training method to use is to:

1. Assess the training outcomes: What do we want learners to know and demonstrate after completing the training program?



- 2. Consider the audience: Who needs this training? Are there any commonalities regarding how they access knowledge or learn new methods? As an example, technical employees from all generations typically are comfortable accessing data electronically and may prefer learning at their own pace as opposed to learning at a set pace in an in-person group. Numerous studies have shown that younger workers gravitate towards shorter and more interactive, technology-based forms of learning while baby boomers may favor more traditional and static methods of learning.
- 3. Determine the type of training needed: What knowledge and skills are needed to improve job performance? Is it functional, managerial, or behavioral? Is it product training for new employees? Company-specific? Tailored to a certain work group? Legally required for compliance? (Note: Depending upon your industry, there may be legally-required safety training. Certain states require management/compliance training in topics such as harassment).
- 4. Decide on timing: How quickly does this training need to take place? Will resources be available to teach the course and develop the course curriculum, and will learners be made available to attend the course?

For training managers, determining the best training method includes the following questions:

- > Do we send the employee out to an external course or university?
- > Can the employee learn the needed skill through a rotational developmental assignment in another work team?
- > Do we train the course in-house for the employees needing that training?

If the training need is specific for a certain individual, then the right decision typically may be o send the employee outside to an expensive external course or create on-the-job training internally. The external courses are typically more expensive, longer in duration, and not specific enough to address the direct training need.

If you decide to bring the course in-house, the follow-up questions center upon (1) the logistics of getting everyone together at the same time and the service/productivity issues that created, and (2) the "make versus buy" (internal versus external) decision regarding the development of the courseware and deciding upon who could train the course. Training managers faced with buying external courses to bring in-house need to ensure that the courses taught by outside firms who don't really understand the business are teaching concepts that are relevant to build the skills needed by the employees selected for the training.

Before the explosion of the technical tools available to businesses today, it was naturally assumed by everyone that training (with the exception of computer skills) would be done face-to-face and not taught online with employees sitting alone in front of their computers.

While all of the buzz in the training industry today centers on eLearning strategies, learning management system platforms and methodologies, there are times when classroom training is still relevant.

When in-person training is most relevant: For just about everything in life, nothing takes the place of personal face-to-face interaction.



Some may argue that the ability to bounce ideas off colleagues in a direct, interactive fashion strengthens not only the learning but also forms stronger bonds between employees that allows them to work together better.

The training topics that are best done in traditional classroom settings may include:

- > Training that is based on organizational culture, values, mission, and vision where a senior executive is leading the discussions to ensure that all employees understand the direction and are on board. This type of training builds camaraderie and ensures that all learners are getting the same message in the same manner to build that common corporate vocabulary and follow the right work priorities.
- > Management training topics that are unique to the organization where the company expects those in supervisory positions to manage the issues uniformly are best done in a group setting. Supervisors can then discuss particular situations they are dealing with and get the benefit of team coaching while they build trust and support for each other. If everyone is on the same page and management is consistent in the application of those management practices, it will create a more positive employee relations environment.
- > Specific hands-on skill training is more effective when the learner can physically practice the concepts and obtain focused feedback from the instructor. Types of training that fit in this category include training to assemble or repair objects, learning hands-on operational or preventive safety practices, or any training where physically practicing the concepts with direct feedback from the trainer may be useful.

Today, just about any other type of training can be done through flexible eLearning training platforms. Even in the classroom training situations outlined above, many businesses use a two-pronged approach by first using an online learning program to deliver the "what" and "how" of the training and then bringing the groups together to practice what they learned in the online session and to clarify any questions or issues.

#### Launching the program

- 1. Involve your leaders and train them first. In a learning culture with Level 5/servant leaders, if they walk the talk, others will follow. Remember our discussion of Andy Grove. If management models the appropriate behavior and learning, provides an environment in which the employee can apply the training, and creates the clear expectation that he expects to see different behavior or thinking as a result of the training. An executive who has participated in the same training as the rest of the organization is a powerful role model when he is observed applying the training.
- 2. Communicate, communicate, communicate. Provide information for the employee about exactly what the training session will involve, prior to the training. Explain what is expected of the employee at the training session. This will help reduce the person's normal anxiety about trying something new. If she knows what to expect, she can focus on the learning and training transfer rather than her potential discomfort with the unknown.



- 3. Plan the curriculum and tailor it for specific individuals or situations. Nothing shows the love to employees yearning for development than a great roadmap to see where the investment of their time pays off. Don't skip that step by just purchasing a bunch of courses and throwing them out to your employees without some thought behind it.
- 4. Assess and measure results. On a constant basis, assess the effectiveness of the employee training over time. Determine whether the trainees feel able to apply the training on the job. Talk about specific behavioral changes, ways to apply the training, and different approaches to try as a result of the training. Share evaluation data from the employee training session, and consider ways to improve the employee training session. For this longer term evaluation, you will want to prepare executive reports and share in your wins.
- 5. Finally, and most importantly, celebrate your successes, big and small!

