
CMG EMPLOYMENT NOTES

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Improving Productivity Through Training

Introduction

Virtually every organization utilizes training of some kind. A survey of businesses with at least 100 employees conducted in 2000 revealed that the most common training was computer applications, 99%, and new employee orientation, 92%. Other training that was above 75%: training in customer service, leadership, sexual harassment, new equipment operation, performance appraisal, team building, safety and problem solving (*Training Magazine*, October 2000). The same article noted that businesses with more than 100 employees spent \$54 billion on training that year, not including many indirect costs related to training, like employee salaries while attending training. Obviously, this represents a major investment by business.

Sorting training into various applications would include basic knowledge and skills, knowledge and skills required for specific applications, and various other knowledge and skills that can be transferred to other organizations. Basic skills might include training a welder. Most organizations hire persons for welding who can already weld, however. Specific application training might include equipment operation and computer programs customized for an organization. General skills improvement could include leadership, customer

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Thoughts from the Editor

This newsletter is being published at a time of great turmoil throughout the world. Despite the pressure to internationalize even small businesses, there is a growing concern about the safety of travelers, especially business travelers, in numerous countries. At the same time, the number of travelers injured is very small compared to the number of Americans working and traveling abroad.

The business climate is also in flux. The rules continue to change for organizations of all sizes, including for-profit, non-profit and governments. In order to remain viable, organizations must improve and become more efficient. Training is one key to improving organizational performance, which is why that topic was selected for this newsletter. In the current nomenclature, training is now part of Human Resource Development, or "HRD."

We have had a one year hiatus since our last newsletter. This break allowed your editor to complete his dissertation and this newsletter proudly announces receipt of his Ph.D. The educational process helped to usher in the "post modern" era for both the editor and this newsletter. We will try to provide our readers with the benefit of that view of our changing world.

This newsletter is written by your editor, sometimes assisted by a contributing editor. It is not a canned product purchased from an anonymous publishing house with the CMG name stamped on it. Please let us know if you have a topic in mind for a future newsletter.

Claremont Management Group, Inc. wishes all of our readers a happy and safe summer.

service and team building.

Another way to analyze training is to determine why an organization conducts the training. Providing essential skills to perform the job, which could include specific equipment training or customized computer applications, immediately comes to mind. New employee orientation is also self-evident. Legal and regulatory requirements explain the provision of safety, EEO and sexual harassment training. Much of the remaining training is done because the organization's leaders perceive that such training will improve the employee's immediate or future contribution to the organization.

Starting Point

Given the need for training for the various reasons noted above and the large investment involved, taking a strategic approach to training is important. CMG is often hired to provide training to fix specific problems. Much less often, we are consulted on developing a comprehensive training strategy for an organization or to perform a needs assessment, despite the potential benefits of a more reasoned approach. Having a strategic approach aligns the goals of the organization with the objectives for training. Fundamental training issues include who will be trained, why, how, when, by whom, and using what programs.

Goals. As the sage says, "if you don't know where you are going, any road will get you there." Management must clearly articulate the goals of the organization and communicate them to all the leaders of the company, and ultimately to all the employees.

Programs. Once the goals are identified, training needs should be established that support the goals. For instance, if the organization has disappointing sales and recent surveys have revealed customer dissatisfaction, customer service training may be recommended for certain employees. Delivery methods are also a major consideration today. The stereotype is the classic platform trainer traveling the country delivering a somewhat custom training program to a small group of employees. Due to the high costs involved, this training was often provided

for only management, or non-management employees with the best chance of being promoted. Despite the effectiveness of this type of training, many businesses, especially larger ones, have moved to packaged programs, often delivered over the web, video-link, or on DVD. Each type of training has its advocates. There is no "one size fits all" solution.

Employees. It may seem self-evident, but employees must possess the necessary skills to benefit from the proposed training. Employees who are not computer literate, for instance, may need basic computer training before providing them advanced computer training or training them through a web-based product. Employees also must be motivated to learn. The organization's motivation may be increased productivity, but what does that mean to the employees? If the organization has a bonus program or profit-sharing, that may be sufficient if employees understand the connection. On the other hand, individual incentives may be in order, for instance, an increase in pay, a bonus, or an opportunity for promotion. The rewards could be tied to simply completing the training, or accomplishing certain objectives after the training.

Trainers. The term itself is morphing into multiple terms. Now course developers, web designers and curriculum experts join traditional trainers as part of the design and delivery of training programs. Maximum impact still appears to be provided by experienced and well qualified "platform trainers." This level of training is still recommended for critical training programs, executive level programs and "train the trainer" sessions. As training departments in many large businesses are "out-sourced," or simply discontinued, the debate over using in-house versus contract trainers is fading. Organizations are increasingly using contract trainers and packaged programs.

Location. Most training is done at the workplace. It is generally the most cost-effective location for training. Web-based training can be accessed from many locations, of course. Often, professionals and executives attend external training programs, from a major hotel near the work location to multi-day conferences at

resorts. Due to the high cost of these external programs, organizations generally limit the attendance in terms of which employees may attend and how often employees can attend such programs. One advantage to training away from the workplace is getting employees away from their day to day distractions at work so they can concentrate on the training material. However, with a near neurotic attraction to their cell phones and Blackberries, some employees never really let go of their work.

Evaluation. Organizations should expect to receive a return that is a multiple of their investment in training.. Possible measurements of return on training investments include fewer EEOC complaints, better customer service or more effective communication. The first aspect of evaluation is fairly mechanical. External training programs should be evaluated on timely delivery, effective communication, quality of materials, organization, and importantly, did they deliver what was expected and for the price that was bid? In-house training programs should be evaluated on a similar basis. The second aspect of evaluation is whether the training actually accomplished the goals set by management. Experts in training recommend that some benchmarks be established for each training program and that outcomes be measured against those benchmarks. Naturally, this is more subjective for "soft skills" training like leadership or team building.

Feedback. Asking the participants about their training experience should be an integral part of all training programs. Relating to evaluation, above, a good training experience could be the best indicator that the program will have a positive effect on the participants, and vice versa. Both feedback and evaluation also create a return loop back to the goals and program design phases of training program development.

ACTION PLAN

1. Start with establishing goals for the organization and make all training consistent with those goals.
2. Conduct a "needs analysis" to determine what training will support the goals of the organization.
3. Determine who will be trained and when.
4. Determine whether training will be conducted internally or externally, or a combination of the two.
5. Prepare a training budget. One observation is that many organizations decide on a training budget, often a small percentage of revenues, and then attempt to fit training into that budget. In support of strategic goals, training should not take a back seat to other budget items.
6. Design training programs internally, or solicit bids for training from outside contractors in response to detailed bid requirements.
7. Deliver training and collect feedback on the training delivered.
8. Evaluate the effectiveness of the training.
9. Develop new training goals based on changing organizational goals, and feedback and evaluation from prior training.

In addition to providing various training programs, CMG provides assistance to organizations in determining training goals and design and delivery of programs.



USERRA Notice Required

Employers are always excited when another government requirement crosses their desks. Not! In any event, in our Fall 2001 issue of *Employment Notes*, we included some guidance on compliance with the Uniformed Services Employment and Reemployment Rights Act. Employers are now required to advise employees of their rights under USERRA, and there is a poster available that satisfies this requirement. The poster can be downloaded from the Department of Labor web site and should be displayed along with other employment related posters. Following is the link for the poster: <http://www.dol.gov/vets/programs/userra/poster.pdf>.

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