

Title:

Five Business Benefits of Employee Training Programmes

Word Count:

731

Summary:

Understanding the business benefits of an employee training programme can sometimes be more of an art than a science. As a result, it can sometimes be difficult to convince management teams of the need for form a people investment. Like any business case, we need to persuade others through demonstrating the benefits or, as salespeople would say, "What's in it for them" Discover more here...

Keywords:

training, management training, employee training, training plans, learning and development

Article Body:

Copyright 2006 Train In A Day

Understanding the business benefits of an employee training programme can sometimes be more of an art than a science.

How do you measure success?

How can you convince your colleagues to make the investment?

As a result, it can sometimes be difficult to convince management teams of the need for form a people investment.

Like any business case, we need to persuade others through demonstrating the benefits or, as salespeople would say, "What's in it for them?"

This article highlights five major benefits of employee training:

Let's take a look:

1. Impact on bottom line

Successful employee training delivers improvements in employee performance

which, in turn, creates a better performing business and an improved bottom line.

Research conducted has suggested that, where training programmes are effective, employee productivity can increase by 230 per cent.

You may wish to highlight job roles within your organization where employee performance has improved using measurable variables that will demonstrate your business case for further investment.

By focusing your business case on the objectives of the business you will not only be preparing a persuasive proposal for the rest of your management team but will also be steering your training plans towards the areas of greatest benefit. Hence, ensuring the greatest return on investment for the project.

2. Staff retention

Want to spend more training recruiting staff?

Thought not.

Training increases staff retention which will save you money.

Instead of paying recruitment fees, re-investing in training, loss of management time why not treat your people as your number one asset?

Invest in their development and they will receive a return your investment many times over.

In some companies, training programs have reduced staff turnover by 70 per cent and led to a return on investment of 7,000 per cent.

Incredible, eh?

3. Improved quality and productivity

Training that meets both staff and employer needs can increase the quality and flexibility of a business's services by fostering:

- accuracy and efficiency
- good work safety practices
- great customer service.

You know the benefits of quality assurance programmes. Now buy in to the

benefits of employee training programmes!

Can you put a value onto a lost customer?

How about a health and safety issue?

If you wish to gain a simple but meaningful measure of employee training programmes take a look at the consequences of NOT investing in your people. Often, we only make investment decisions when we can visualize the effects of not taking action.

If you're not yet convinced by the benefits of training, take a look at where your company has suffered from a lack of improved skills and try calculating the TRUE cost of those incidents.

4. The flow-on effect

The benefits of training in one area can flow through to all levels of an organization.

Over time, training will boost the bottom line and reduce costs by decreasing:

- wasted time and materials
- maintenance costs of machinery and equipment
- workplace accidents, leading to lower insurance premiums
- recruitment costs through the internal promotion of skilled staff
- absenteeism.

If you take a closer look at those companies which sit within the 'Top 100 Companies' to work for you will notice something which runs through each of them.

You can't measure it but successful companies have a 'culture' which runs throughout them.

The benefit of this culture is a happy, innovative and successful workforce.

A positive culture only comes through a respect for and an investment in your people.

Start cultivating a progressive culture within your business today through employee training programmes and other forms of people investment.

5. Remaining competitive

Businesses must continually change their work practices and infrastructure to stay competitive in a global market.

Technology, previously the main driver of competitive advantage, is progressively taking a back seat to people.

As economies become progressively service orientated, it is the development of people that is providing successful businesses with long-term sustainable success.

Training staff to manage the implementation of business strategies, improvements to procedures and customer service policies can also act as a benchmark for future recruitment and quality assurance practices.

As well as impacting on business profit margins, training can improve:

- staff morale and satisfaction
- 'soft skills' such as inter-staff communication and leadership
- time management
- customer satisfaction.

So there we are. Start thinking now about how investing in the skills of your people can benefit your business to make more money, save money or save time.