



Book Running Training Like A Business

Delivering Unmistakable Value

David van Adelsberg and Edward A. Trolley
Berrett-Koehler, 1999

Recommendation

David van Adelsberg and Edward A. Trolley are experts in developing innovative workplace learning solutions, in other words, training. Their book presents their program, "Running Training Like a Business." This book is enormously detailed, if jargon-heavy and somewhat bureaucratic in its language. It is filled with flow charts, graphs, and other visuals that will appeal to anyone who wants thorough strategies that can improve training programs. *BooksInShort* recommends this book to executives who design, oversee, coordinate, or purchase employee training and education programs. One caveat: The reader does get some sense that, with this volume, the authors are also marketing their program to potential clients.

Take-Aways

- Training should be run like a business, not like a sideline.
- Businesses invest enormous sums of money and large portions of their productive capacity in training and development.
- In a knowledge economy, learning is the key to business success.
- When training is run like a business, it becomes more effective and efficient.
- Training should adopt the values of its customers - those who buy the training, as well as those who are trained - and get rid of the ambiguities that cloud its mission.
- Training's mission is purely economic: business education is a means to business results.
- To transform your training, you should assess, plan, install, and then run your program with business principles in mind.
- Create measures that document the business impact of training.
- Be consistent, but make constant adjustments as needed.
- Create high-quality and relevant content for training.

Summary

Transforming Training Programs

Businesses spend enormous amounts of money, time, and energy on training and development (T&D). Annually, U.S. corporations spend more than fifty-six billion dollars on training and development. Despite this investment, many businesses are not satisfied with these programs. Continuous learning is crucial to business success, and business leaders understand this. They often find that T&D is "out of the loop strategically, that it too often operates like something separate from the business, and that they don't see enough tangible returns on their T&D investments."

“There is, in fact, substantial evidence correlating investment in training with superior business performance.”

The solution is to transform training. Instead of running merely as a function, it must run like a business. Everything training does must be more effective and more efficient, and must tangibly help businesses achieve their goals. The cost of training must be clear and acceptable to those who purchase it for their employees. Training's mission is economic: it must fill the needs of your employees, who are the "customers" for training.

“When a training function is transformed into a training enterprise, big improvements in operational efficiency are almost immediately evident.”

The benefits of running training like a business include:

- Attuning your training operation to business issues.
- Dedicating your training to providing knowledge that improves your business.
- Reducing fixed costs for training and development.
- Creating high quality, affordable custom-made training programs.
- The professionals who take these training classes or other programs benefit by knowing that their bosses truly believe in the benefits of the training.

“Being good business people means understanding the customer's needs. It means consistently translating those needs into learning solutions.”

The phases of transforming training include assessing, planning, installing, and running. A training organization can follow these steps when creating a training program.

Assessing the Transformation

Envision this transformation as an investment in the future success of your training organization. Begin by creating a strategic picture of what you'd like to accomplish. Be open to new ideas and to alternatives that are different from the traditional approaches to running training. Spell out in great detail what must be done to bring your vision to life. Research your ideas and gather data, remembering to bring order and insight to your information. Focus first on costs and efficiency, then on effectiveness.

Planning Your Program

This is your design phase. Essentially, you are designing a "value machine." Begin by determining how many people you'll need for your new training organization. Do you need to bring new people on board? Are you currently overstaffed? This planning phase begins the active transition of your training organization, so you'll want to create a transition team whose expertise can help this rebirth flow smoothly. During this key planning stage, focus on what your "new" organization will be doing once you officially launch it. Keep all lines of communication open during this critical phase, because it has an impact on many areas, including budget, human resources, job descriptions, organization, and morale of all of your training organization employees.

“Business leaders who buy training recognize that, in a knowledge economy, learning is central to business success. Corporations worldwide have ramped up their investments in T&D.”

Denny McGurer, whose company made this transition successfully, explains, "We worked especially hard to make sure there were no "losers" in this transition. If we didn't do that - if we callously cut loose thirty percent of our former T&D staff - they'd say we didn't

take care of those people, and our new training alliance would be hampered by the lingering hostility." Although planning is all about data and facts, you cannot overlook the very real emotional effects on your employees and your staff leadership, all of whom will ultimately be working together to implement your new offerings.

Installing Your Vision

In this phase, you create your new training organization and launch it. During this phase:

- Develop and document your new programs.
- Create all associated business processes and infrastructure.
- Select and train your staff.
- Implement all employee transition and communication processes.

“The heart of the training mission is to teach, and the T&D psyche seems more deeply rooted in education than in business. [This] explains why T&D professionals and business executives are often out of sync.”

Installing is fulfilling your vision, the vision you held in your mind during the assessment and planning phases. Installing is an exciting, creative, and exhausting part of the process. "It takes high levels of enthusiasm and energy," says Ian Tomlinson-Roe, whose company went through the process and revamped its training program. That energy is rewarded, he says, when you see exciting new programs come to life. Installing will feel less overwhelming if you organize it into work streams - large tasks to be completed by specific members of your project team. The work streams can include:

- Relationship Management, which makes sure that training and development is "driven by the customers' business goals."
- Consulting and Training Design, which creates the training content.
- Operations Management, which creates the infrastructure.
- Training Delivery, which oversees the quality of your training programs.
- Measurement System, which measures customer satisfaction.
- Production Processes, which focuses on course materials.
- Knowledge Management, which focuses on your bank of ideas and expertise.
- Partner Management, which works with all outside suppliers.
- Technology, which oversees all forms of available technology you'll be using.
- Curriculum, which inventories, assesses, and measures the value of training programs.
- Finance, which provides financial systems that support your organization.
- Marketing and Communications, which makes your training known in the market.
- Resourcing, which oversees staffing of training and delivery schedules.
- Delivery Operations, which manages delivery of training, including registration, class management, communication, scheduling facilities, and ordering materials.

Running Your New Program

Winston Churchill once told his countrymen, "This is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning." Now that your new training organization is running, you have been transformed into a training business. This is the end of the beginning. It is time to deliver the new products created by your organization.

“Measurement is the issue that most clearly illustrates T&D's separation from the business mainstream. The gauntlet, thrown down by executives - in essence, "Prove your worth" - has launched training on a veritable measurement crusade.&

In this phase, you lead and manage the training organization while continuously and consistently improving all your operations. You also continue to build customer relationships; to design, develop, and deliver your training programs; and to measure their effectiveness. Now that you are running "like a business," instead of "like a function," your operational efficiency and your reliable processes will lead to more valuable and successful training programs and, therefore, to greater customer satisfaction. You will be delivering precisely what employees need, and you will be able to change your offerings to meet the needs of a rapidly changing

business world.

“In the course of gathering data, we consciously cultivate a sense of new possibilities.”

"Our product mix is always changing," reports Ed Boswell, whose company offers training. "Our mix switched from virtually one hundred percent open-enrollment courses that you'd choose out of a catalog to just thirty percent open-enrollment courses. The rest was training projects, specific to businesses or functions. Today less than twenty percent of our mix is open enrollment." Since his company began "running like a business," it has become more attuned to the needs of its customers, and has adjusted its offerings to meet those needs.

“When you decide to build a house, you don't immediately pour concrete. First, you draw a blueprint.”

Even though your new training organization is up and running, you need to continue to adjust your mix of training offerings. You want to make the training content "genuine and relevant to participants." This includes tailoring your relationship management to each trainee's needs and structure. Manage your training operation to be efficient and monitor the feedback you receive regarding the perceived value of your programs.

Summary

A training enterprise's offerings should not be decided by what its staff happens to be good at teaching, by what courses happen to be listed already in their catalog, or even by what customers have wanted in the past. Create your course offerings based only on what your customers need to know in order to succeed in business. To do this, you must remain flexible and innovative. Find out what your customers want to learn and then teach them. Run your training organization creatively and efficiently, and your customers will keep coming back with great enthusiasm. They will feel that their training money has been well spent.

“Motivated people generally work faster than those who would rather be doing something else.”

Customer retention is a key component. You will retain customers when they feel that they are receiving something of value from you. Your customers will also refer others to your organization, further enhancing your growth. Your own employees will be enthusiastic about working for your company, and that will help the quality of their teaching and presentations. When you improve the way you run your training organization, everyone benefits from the transformation.

A Training Organization's Success Story

Economics play a large part in decisions regarding what a training organization offers and how. Ed Boswell tells this story: "Let's say that over 18 months, you've delivered a specific set of training, to a large training population, and it has proven very effective," he begins. "But shortly after you wrap up that project, your customer hires one new person with the same learning need."

“Leaders and managers of a training enterprise face a more diverse array of responsibilities than do those who lead and manage traditional training functions.”

Then, the training organization has a decision to make. Boswell says that delivering that training to only one person is not cost-effective. "In those cases, our customers...often agree to steer that individual toward an open-enrollment option," he continues. This isn't as good as having the new employee take the specific course the other employees took, but "it makes sense in cost-benefit terms, because that person will get sixty percent, seventy percent, or eighty percent of the learning needed for perhaps a tenth of the cost. It's a business-like decision."

“Training organizations that run like a business also need to stay quite flexible about where the training they offer is developed.”

The employee can supplement the course with other training and will receive the equivalent of the training that fellow employees received at a fraction of the cost to his employer and to the training organization. Sometime, a single employee in need of specific training can be placed in another class offered subsequently by the same trainers. Then, the training isn't being delivered to just one person, and will be cost-effective.

“All training enterprises share at least this one characteristic in common: Each gauges its performance not against some abstract standard, but against the tangible business value it provides to customers.”

Sometimes, a training organization "perceives a skills gap and moves to fill it." The Learning Investment at Mellon created a tailored Presentation Skills Workshop actually structured around the kinds of presentations the participants give on a regular basis. Thus, a new workshop was born that filled a need no one else had considered. When you shift from a strategy of offering content-driven, open enrollment courses to a strategy of offering a mix of projects that match training to the specific needs of a business, your business will grow. Your customers will be delighted that their needs are being met in such a targeted manner.

“The leaders of your new training organization need to be highly visible in customer circles, especially at senior levels.”

Plenty of standard training courses are always available, but specific courses are more in demand than ever, so the training organizations that can increase their offerings of such courses will be in demand. By understanding your market, you can create unique courses that no one else offers. This will enhance your business and your reputation for being able to take the pulse of the corporate world and respond quickly and effectively.

About the Authors

David van Adelsberg, CEO of Forum Europe Ltd. and Executive Vice President of The Forum Corporation. He joined Forum in 1992 and teamed with Ed Trolley to form The Learning Alliance at DuPont. He has launched similar programs with other global organizations. **Edward A. Trolley**, Senior Vice President of The Forum Corporation, spent twenty-six years with DuPont, ultimately managing training and educational programs. While with DuPont, he conceived "Running Training Like a Business." He joined Forum in 1996.
