

Training: proving the case

- Getting approval
- Measuring results
- Getting it down on paper

Downturn or no downturn, it's important to show how training will deliver results. But in these unpredictable times there's an even greater need for a well-defined return on investment. So it's more important than ever to make a sound, costed, specific business case for investing in learning and development. This article should help you define why you need training and development, and what it's going to do for your organisation.



There are plenty of reasons why maintaining training spend is wise in tougher times, for example:

1. Investing in development sends a powerful, motivating message to staff that the organisation values their contribution, reducing staff churn and re-energising those who are required to take on extra work.
2. It can help build competitive advantage – for example, improving customer service helps an organisation hang on to more discerning, price conscious customers.
3. Training encourages people to innovate and add extra value, to help the organisation take advantage of the opportunities the downturn may bring; investigating new markets, business practices or products.
4. Those organisations who carry on investing in training will be best placed to take advantage of the changing economy as demand picks up.

But the key to a successful business case lies in identifying the **specific** challenge you are trying to address, and showing how training will help you handle it.

GETTING APPROVAL

To convince the budget-holder or senior team to pay for a training course or qualification for yourself or someone in your team, focus on how the company will benefit from the enhanced skills. Be specific. Demonstrate your understanding of current business needs. Convey your enthusiasm for helping the organisation succeed. A summary statement may be sufficient in this case:

"I am currently manually producing three customer reports per week. An intermediate Excel course will allow me to automate these reports, saving half a day a week. This time can then be used to assist the team leader with the processing of invoices, which will help ensure speedy payment from clients."

"Our new HR Officer is required to coordinate the appraisal process and act as first point of contact for disciplinary issues. This CIPD qualification will allow them to support the business in accordance with employment legislation, maintaining smooth operations in the organisation and keeping us out of costly tribunals."



LARGER SCALE TRAINING PROGRAMMES

For a larger department / organisation-wide programme of training it's vital to identify a tangible end result and demonstrate how it will impact your organisation's bottom line. Getting top-level support for your programme is about building a proposal linked closely to the business strategy – what skills does the company need in order to meet its goals? Which of these goals can training and development most effectively contribute to? Getting a process in place for evaluating the training is important to do from the start.

BEGIN WITH THE END IN MIND

Donald Kirkpatrick created the most widely used training evaluation model, which looks like this:

1. Reaction – what did delegates say about the course (“liked it”)
2. Learning – assessed by testing before and after training (“learned it”)
3. Behaviour – using surveys, appraisals, or other follow up (“used it”)
4. Results – was it worth the cost and effort? (“improved it”)

The fifth stage (proposed by Dr Jack Philips) is return on investment.

Using these stages as headings you can demonstrate how you intend to measure your training, and how the results will be evaluated. If you work out the return on your investment, your training programme will be much more likely to receive top-level support.

GETTING IT DOWN ON PAPER

A written business case for training should include the following. See Reed Learning's “Training Proposal Template” for more specific details:

- The cost, including investment of time and resources
- The benefits, covering changes in behaviour and, ultimately profitability and/or more qualitative business improvements
- The time line: how long will this course deliver improvements? How long will it take for these improvements to pay for the cost?

You can then make a considered, costed statement about the benefits of training – and point out the consequences of not training. Say it with numbers – how much will the organisation make or save? For how long will the predicted benefits last?

BEING SPECIFIC

You may not know how a PowerPoint or customer services programme could benefit your business. Evaluation reports from past training courses may provide a guide to help you calculate an estimated benefit, but these are not always available.

Fortunately there is a wealth of data available online showing how training can have a tangible impact on an organisation. Dig out some business metrics and show some evidence of how you arrived at your estimated return. Then when your training has been delivered, circulate the actual outcomes to reaffirm the value of your organisation's investment and build commitment to future investment.

GOOD PLACES TO FIND CASE STUDIES:

www.reedlearning.co.uk – click on Employer Tools
www.trainingzone.co.uk
www.trainingpressreleases.com
www.investorsinpeople.co.uk
www.thetimes100.co.uk
www.businesslink.gov.uk

A couple of examples:

“Our clients demand that we manage their projects as efficiently as possible. This PRINCE2® programme will help us all work to a common project management framework, and help us secure new business from clients who currently use this system. Two new clients would be worth up to £50k in the next six months.”

“This programme for first line managers will help us reduce staff churn by 25%, saving us £15k annually in recruitment fees.”

Who could argue with that?

FIND OUT MORE

If you need to develop the skills of people in your organisation or manage large change programmes, one of our short courses will help:

- **Change Management**, 2 day course
- **Managing the Learning & Development Function**, 2 day course
- **Strategic HR - The Essential Business Partner**, 1 day course
- **Learning & Development in Practice**, 2 day course
- **Coaching for Performance**, 2 day course

