

Making training count

Alistair Schofield considers whether it is possible to measure the return on investment in training.

It's a question that comes up time and time again; "how can we measure the return on training investment?" The answer I always give is that in most cases you can't – but why would you?

The problem is that in seeking to measure the return on investment in training, you are treating the training as an isolated investment, an end in itself. In my opinion, training shouldn't be treated this way, it should be seen as just one component in a larger process.

For example, if you were implementing a new computer system in your business, the project would consist of the specification phase, procurement, development and implementation. Somewhere within that process the users would need to be trained on how to use the new system, but it is unlikely that you would write a separate business case for the user training.

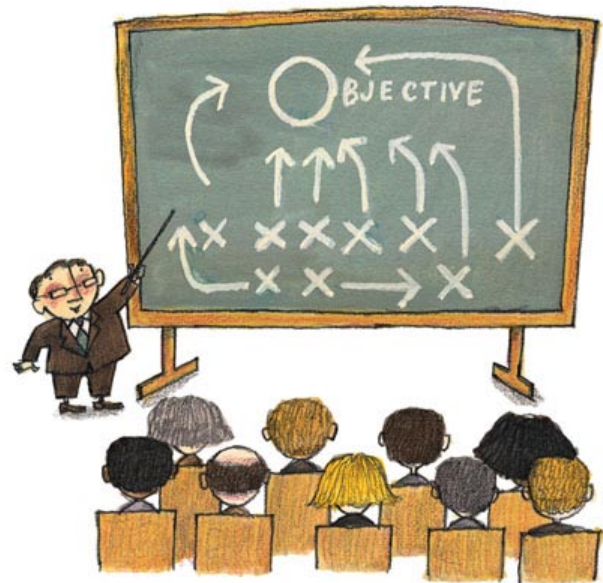
Why then do people seek to separately justify their investment in training in other situations?

To answer this, let's go back to the example. In that case the training was technical training. It is therefore easy to see this as part of something else as it is a necessary component. Behavioural training, on the other hand, is often viewed differently. Training that goes under the broad heading of "management development" is often seen as being either a stand-alone requirement or simply part of a person's general development. And this is where I believe the problem lies.

In my opinion, no training should be stand-alone. It should always be for a purpose and there should always be defined reasons for sending someone on a course.

More importantly, the course should always follow the objective and ideally be specifically tailored to meet that objective.

For example, I recently came across an organisation who had invested a small fortune in a training programme for its "high potential" individuals. An elite band of these people were selected each year to attend high-level training in areas such as finance, merchandising, supply chain, and so on. The Chief Executive told me that the primary objective of the training was



demonstrate to these key people that they were valued by the business and to stop them leaving to join competitors. Yet the fact was that in the 12 months following each programme roughly half the delegates resigned to join competitors.

The problem was that the programme had not been designed to achieve the objective of retaining key staff, it had been designed to prepare them for more senior roles and greater responsibility. Since there were insufficient vacancies in the organisation to meet the now increased expectations of these people, they sought promotions outside the organisation – achieving the exact opposite result that the CEO wanted!

The starting point for training should therefore be to define the objective. It is unlikely that the objective will be simply to improve a person's knowledge or skill, it is more likely that it is to achieve a result linked to that knowledge or skill. Once that is defined and understood, a training company should be briefed on the objective and asked how they could help achieve that result.

In this way, even behavioural training becomes part of a larger programme where the costs and benefits can be defined.

The question is therefore not how can you define the return on training investment, but rather, how can an investment in training help us achieve our business goals?

About the Author

Alistair Schofield is Managing Director of Extensor Limited.