

TRAINING TO FIGHT

Don't cut your training budget. It can help your company resist the recession.

by **Mildred L. Culp**

Although companies everywhere have been reducing various budgets in response to the economic downturn, many companies in Utah are maintaining their training budgets while tweaking training content as tactics for resisting the recession.

Training trends

Ken Burnett, training director at Bank of American Fork and a past president of the Utah chapter of the American Society of Training and Development (ASTD), reports that many companies are "focusing on tactical, money-generating activities" and widespread awareness of an organization's financial health. "They've moved away from soft skills, conferences and junkets to more specific, bite-sized, chunkable and applicable (training) with a focus on immediacy, as in doing a cash flow analysis right now," he explains. "The craft of our jobs is being emphasized over overview training."

Clark Merkley, president and CEO of Provo's Employer Solutions Group, a human resources outsourcing firm, sees an uptick in training for compliance with employment law. For example, he says that in the Salt Lake area, a few law firms put on free hour-long briefings about the Family Medical Leave Act (FMLA) or Americans with Disabilities Act (ADA).

Jason Lindstrom, president and CEO of Las Vegas-based Rappport Leadership International, says that training is increasingly incorporating the use of social networking

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and social media, including podcasts, webinars and on-site interactive coaching. He sees companies spending only about 20 percent on the classroom and retreats, while investing substantially to reinforce core skills and nurture behavioral changes.

Informal and outside the classroom

Although formal classroom training remains common, Burnett sees "openness to (various) types of training methodologies, such as mentor relationships. There's been a shift to a lot of cross-training for organizational flexibility with greater accountability."

Frances Hume, president of Hume 'n Resources Consulting in Park City, agrees that informal training is occurring, but says that many leaders don't understand the process employees are using. She believes that informal learning is occurring through blogs, wikis, IM and texting. In addition, she says that 70 percent to 80 percent of learning occurs on the job and through internal training. She notes that Utah's counties have Custom Fit training funds for employers who want more formal training. These are available through Salt Lake Community College and the Applied Technology Colleges — Bridgerland, Mountainland and Davis, among others.

Help during tough times

Though it's likely that company training initiatives two years ago weren't preparing employees for the recession, Merkley says that some Utah companies have been adding training that is recession-sensitive, such as how to handle personal finance, including debt reduction. He also says that companies are instituting employee assistance programs and stress-reduction training.

Meanwhile, how are employees shouldering their "job enlargement," as Hume describes increased responsibilities, particularly in production, manufacturing and distribution companies? Some retailers and financial institutions, she says, are combining heavier workloads with "more authority and responsibility, bridging some of the gap needed for future leadership." She further observes employers combating the knowledge gap in

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future leaders with rapid managerial training, including communication and compliance.

At what cost?

According to a 2009 ASTD report, the 301 companies surveyed spent between \$1,068 and \$1,588 per employee on training. Kevin Ford, a professor of organizational psychology at Michigan State University and a training consultant for 30 years, stresses that the key issue isn't increasing training dollars, but rather identifying the correct recipients and assuring implementation and follow-through.

Many companies in Utah are smaller than those surveyed by ASTD, but the amount of money recommended by local sources to spend on employee education isn't that far afield of the training report's data. Burnett, the training director, won't specify an amount. Rather, he recommends that any training budget be "all that it needs to be so associates can be proficient in the present and interpret the future." Lindstrom recommends investing \$1,000 consistently.

Merkley says that staff maturity and the pace of industry change are critical. His firm spends about \$100 per employee in external training each year and does a lot of internal training, for which there's no clear price tag. However, he concedes that even more tenured people need "targeted and specific information, which is sometimes more, sometimes less expensive. It's a function of how critical a job function is and how long you think the person will be there."

Success story

Wadman Corp. of Ogden, a commercial builder in 11 western states, has about 100 employees. The company has invested substantial amounts of money for "some really rigorous training over the last five years," according to Keith Buswell, vice president of business development. This family-owned business continues to pay for industry-related technical training as well as safety/OSHA training so that superintendents keep their national certifications up-to-date.

Don't think for a moment, however, that that's it for training at Wadman. "It's part of our culture to be supportive of each other," Buswell continues, "and one of the most rewarding things we've been doing is meeting regularly to discuss what we've learned from training. That helps us internalize and implement. Implementation and execution are what training is about, not more information. We've become better at training ourselves."

Wadman has a large number of employees who have become master graduates of Rapport's training program.

Many are involved in training internally at Wadman's leadership conferences. The dismantling of barriers has led to people from all areas of the company "jumping in, because they know what they say is important and will be respected," Buswell says. Morale is up; people take the initiative to help with responsibilities that normally aren't theirs; and they've taken their skills from work to the community. Some of Wadman's team-building activities have led to significant donations to a hospital and a battered women's shelter.

Utah's companies haven't stopped training employees during the recession, even when they slash budgets. Instead, they've been diversifying methods by which they assure their competitiveness in the marketplace. ■

EFFECTIVE TRAINING

Do:

- Address needs and skill gaps; provide support during implementation (Ford)
- "Have clear, measurable outcomes" (Burnett)
- Include "accountability, conciseness and memorable quality" (Merkley)

Don't:

- Assume that every problem can be solved by training (Ford)
- Isolate training experiences; instead, try tying them together (Burnett)
- Train superficially (Ford)

(For a copy of the 2009 State of the Industry Report, call ASTD at 800-628-2783.)