6 Steps to Maximize Training Budgets

We all know that training is a vital part of maintaining an optimized workforce and staying competitive in today's quickly evolving marketplace. But how do you get the most out of the money you have set aside for training? Consider these critical questions:

>> *What new skills will be required to achieve success in uncertain economic times?*

>> *Which areas of the organization need the most training?*

>> *How do you decide who gets what training?*

>> *Are your training efforts even making a difference?*

With the turbulent state of the economy these days, companies are watching training expenses more closely than ever. Executives are looking for quantifiable proof that training dollars are being well spent and managers are scrambling to demonstrate improvements. Imagine having the ability to run reports that clearly identify skill gaps and display which employees needed what training, and after-the-fact, whether that training had any effect on the individual or the organization's ability to perform successfully.

The best way to maximize your training dollars and gain these valuable insights is through the adoption of a competency management system. Competency management provides a method for managing your workforce by defining the skills required for a given job, assessing employees' skill proficiency, and developing employees based on these competencies and levels of proficiency. By cataloging the skills required (see box to right for several leadership skill examples) and identifying levels of proficiency for job roles, organizations can make more informed decisions regarding where to spend their training dollars and expect an increased return on their training investments. Here's a brief summary of the steps required to begin implementing a competency management system in your organization.

Sample Leadership Skills

Skill Set: Strategic Leadership
Skill: Courageous Leadership
Definition: Takes a stand and follows through with action that supports business objectives, even when the actions may be unpopular. Willing to take calculated risks. Fosters an environment of collaboration and mutual accountability between divisions and other business units. Encourages process improvement initiatives rather than duplicating efforts when roadblocks are encountered.

Skill Set: Team Leadership
Skill: Managing Empowered Teams
Definition: Ensures that team understands accountabilities and boundaries for their roles. Provides support and guidance as needed, but allows team to self-monitor by tracking their own metrics. Expresses trust and team decisions.

Skill Set: Performance Management
Skill: Performance Planning
Definition: Ensures that employees fully understand performance expectations and how they will be measured. Documents performance expectations appropriately and makes them constantly accessible to the entire team. Helps employees to align individual goals with work unit and organizational goals.

Stretch your training dollars

6 Steps to Maximize your Training Budget:

1. Identify the key skills necessary and the levels of proficiency required to perform successfully in the most important roles in your organization. You can do this by identifying the skills the most effective employees use now, as well as by projecting new skills that will be important because of the economic environment or your organization's strategy and processes .

2. Assess employees' proficiency in the key skills and tasks for each role. This should include a self assessment and generally is best accomplished through an automated process that collects data for organizational use.

3. Identify the skill gaps that currently exist by comparing your desired and actual skill levels.

4. Implement individual development plans (IDPs) to address the key skill deficiencies. These plans can include both traditional and non-traditional training resources including everything from books and instructor-led training (ILT), to eLearning courses and other web-enabled technologies. IDPs go a long way in getting employees engaged in their own development.

5. Adjust your training strategy to address the most pressing learning needs. As you review the aggregate skill gaps, ask these questions:
    - Do we have sufficient learning resources to meet the real skill gaps in our organization?
    - Are there programs we're offering now that are no longer relevant based on future needs?
    - What are the most economical options for bridging the most pressing gaps?

6. Start enjoying the ability to make confident and effective workforce training decisions at all levels while collecting real data about the results derived from training. You'll be able to get the most from your training budget no matter what the state of the economy.

Other Training Savings Tips

- If you're sending employees off-site for training, consider the potential value of web-based learning technologies.

- Update training materials as improved resources become available.

- Find ways to capture and incorporate user-created training into your curriculum. For example, some companies have new employees create podcasts of interviews with key people in the organizations and post the best ones in their LMS or on the company intranet.

- Make sure your programs are really aligned with your needs. Stop using expensive programs that don't meet real skill gaps or aren't getting real results.

- Be more selective on sending people to expensive programs, and require a post-training follow up action plan.

Conclusions

Getting the most for your training dollars in an economic downturn is a valuable and often overlooked step in shoring up extraneous expenses.

By defining the skills required and the levels of proficiency for each skill in each role, organizations have laid the groundwork for the development of competency models, and a successful competency management system. Without this structure, organizations are blind to the actual skill deficiencies and strengths of their workforces, and are unable to make effective training decisions, all the wasting valuable money and time.

Begin developing your competency models today and enjoy the benefits for years to come. Not only will these activities help maximize training budgets, they will also produce improved training results.

ABOUT AVILAR, INC.

Avilar, Inc., The Competency Company™, is a leader in web-based competency management and learning solutions for corporations and government organizations. With its Smart, Strategic and Proactive™ solutions, Avilar offers a competency-based approach to workforce development. Formed in 1997, Avilar was a pioneer with its award-winning WebMentor LMS. In 2006 it continues to be a leading innovator with WebMentor Skills™, its web-based competency management solution. As recipient of the "Excellence in E-Learning for Customer Satisfaction" award from Brandon Hall and E-Learning Magazine, and Avilar's ranking as a top "Price-to-Value" provider by Training Magazine, Avilar has built itself on the basis of superior customer service and highly adaptable product design. In addition, Avilar consultants are recognized as industry thought leaders and have decades of experience in implementation and analysis.