



The Positive Effect of Training on Organizational Success

No matter how outstanding your employees are – either in breadth or depth of knowledge – additional training can further enhance their competencies and add to your bottom line. Whether the training is substantive or process-based, your investment in training will enhance employee satisfaction, improve organizational effectiveness, and ultimately strengthen your profits and efficiencies.

Providing training for your employees -- or improving the training that you already offer – can increase productivity through increased staff competency and increased asset utilization. It can, in fact, make it easier for you to attract new talent and to retain your best employees. According to the Gallup Poll, 80% of employees said the availability of company-sponsored training programs was an important factor in deciding whether to accept a new job or stick with a current one. Additionally, in a study at the University of Pennsylvania, for every year of additional education, productivity goes up close to 3%, and well-educated, motivated employees want their education to continue at work.

In addition to internal offerings, offering training classes externally to your client-base can strengthen your revenue streams via enhanced customer perceptions of your company and its value. A study by the American Society for Training & Development found that companies' revenues and overall profitability were positively correlated with their training expenditures. Companies use various forms of instruction to inform people about their company and its products and services. Supplementing instructor-led training with a well-defined e-learning program (a blended learning curriculum) can slash training budgets without sacrificing quality training. Some estimates put the savings of moving traditional skills training from instructor-led to online at well over 50 percent.

Instructor-led training (ILT) is typically face-to-face teaching in a classroom environment. While traditional classroom training still reigns supreme, there is rising interest in Web-based training and in blended learning – a combination of ILT, e-learning and the other needs of the organization. "Educommerce" – using education to drive commerce while reinforcing a company brand – is the latest phenomenon sweeping the corporate education marketplace.

E-learning allows organizations to make learning and communication pervasive throughout the enterprise. E-learning enables collaboration and communication, providing learners with access to expertise and knowledge embedded within the organization and motivating people to share ideas across the enterprise.

When developing your organization's customized training program, the most important goal of an expert designer should always be to maximize your ROI by aligning training with your true business needs. Measurement should be in terms of business performance, not learning. Performance is the only goal that matters in a business context. A 'course' isn't over until the learning has been successfully applied on the job. A well-developed and documented 'course' could be the difference between profit and loss for your organization.