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Where Training Resources Should be Allocated

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Where training budgets and resources should be allocated is one of the most important decisions for any training unit/division. Unless you are running training as a revenue generating business, your budget is viewed as an expense – which is being continually scrutinized, and the demand for training most likely exceeds your capacity. As a result, you need to focus your resources on the most important initiatives to maximize your training investment and demonstrate its value. Otherwise, you run the risk of investing your limited resources in training programs that have minimal impact on the goals of your clients (i.e., business units) and the bottom line.

How do you decide which programs to fund? Should you allocate money and resources equally among several programs? Should you focus on few programs? How do you prioritize this spending in advance and how do you deal with the constant onslaught of new products, regulations and business challenges that require training?

Managing training budgets and resources is no different than managing any other investment in the organization, including marketing, sales or information technology. It all boils down to how much time, money and resources are required to run various programs and the benefits generated in return.

To identify the benefits, clear links should be established between training activities and organizational goals. In other words, why training is needed in the first place. Training "solutions" should address specific performance deficiencies "problems" needed to achieve unit or organizational goals. As a result, the success and importance of training is not measured by the skills and competencies that are being developed, but by the impact of the newly acquired skills and competencies on "performance". In other words, how well training resolved a specific "problem" or "performance gap" and, of course the cost and priority given to each problem. If for any reason a training solution does not contribute to a specific "performance" gain, then the need for training – whether instructor-led or eLearning – should be questioned. In Peter Drucker's words, "if you cannot measure it, you cannot manage it."

To align training with organizational goals, you simply have to follow the needs analysis/assessment process. In other words, identify missions and goals (performance outcomes) of the organization and business units, tasks needed to achieve the goals as well as knowledge, skills and attitudes required to perform these tasks. With this in hand, you can easily find out which training programs are having the greatest impact and why, as well as how to maximize training investment by redirecting money and resources to activities that generate the greatest impact on performance, missions and goals.

How do you align training with organizational goals?

Step 1. Define and prioritize organization/units missions and performance goals. Although the primary objective of training is the development of knowledge, skills and competencies,

what counts is the resultant changes or improvements in "performance" required by the business units and the organization to meet their goals. As a result, it is critical to find out what are the current priorities of your clients – i.e., business units. "Capture 20% of the market", for example.

Step 2. Identify tasks needed to achieve performance goals. Once missions and goals of business units have been documented and prioritized, tasks needed to achieve these goals should be identified. Each task may be further divided into sub tasks. More importantly, the desired performance should be stated in measurable terms – "increase sales to current accounts by 10%", "introduce 2 add-ons to existing products with 6 months", for example.

Step 3. Assign tasks to various groups/jobs. Who will be performing tasks needed to achieve performance goals? In some cases, individuals from different groups (i.e., "sales, marketing and customer service", for example) may be involved in the performance of a specific task. In addition to mission/goal related tasks, occupation specific tasks that individuals are expected to perform as well as their impact on various missions/goals should also be indicated.

Step 4. Determine which tasks require training. The attributes of each task including level of difficulty, criticality and frequency of performance are analyzed to determine whether training is needed, and to which level.

Step 5. Uncover required knowledge, skills and attitudes. Knowledge, skills and attitudes needed to perform each of the tasks that require training should be identified and prioritized. "Recalling the benefits of products A, B and C may be rated critical for example, while communicating effectively with clients, may rate as important." As a result, the relevant importance of each knowledge, skill or attitude on specific tasks and in-turn the goals of the units and the organization can be clearly established.

Step 6. Find out knowledge/skills gaps. Existing and potential gaps can be determined by comparing knowledge, skills and attitudes needed by each group to achieve the desired level of performance with the knowledge, skills and attitudes of exiting as well as new employees. For example, new sales staff may have the required communication skills, but cannot recall the benefits of products A, B and C.

Step 7. Identify implementation issues. Assess the feasibility and effectiveness of plausible training activities by examining the availability of money and resources, compatibility with existing programs as well as management, supervisors and employees attitudes towards the proposed training activities.

Step 8. Prioritize actions and prepare a plan of action. With clearly established links between goals, performance needed to achieve these goals and impact of training activities on performance in place, you can compile the data to determine which training programs will generate the greatest impact and why. Moreover, you will be able to quickly realign training money and resources as the organization/units priorities change, new initiatives (i.e., products and regulations) introduced and new business challenges arise. For example, you can find out which training activities support a specific mission, how each training activity is contributing to various goals, as well as which training activities have little or no impact.

Contributions

Contributions, on what worked and didn't - including practical tips, advice, white papers, case studies, articles, reviews, online seminars, software tools and research reports - are welcomed. Please send to bahlis@bnhexpertsoft.com. Full credit will be given to author.

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