

An electronic information letter by BNH Expert Software.

Is Training a Cost or an Investment?

by J. (Jay) Bahlis, Ph.D., Eng.

*"Creative minds have always been known
to survive any kind of bad training."*

-Anna Freud

From an accountant's point of view, training - like any other intangible item - is a cost. This, however, does not imply that training has no value. Research for developing a faster microchip or a better medicine to cure cancer is also considered a cost. Yet, organizations and individuals see great value in the outcome and continue to invest in this area. The key point is "what do we get in return?"

Many believe that training is a complex process that deals, on occasions, with soft issues and is therefore difficult to measure. Although true, demonstrating the value of training is not necessarily more complex than other intangible concepts. After all, many decisions are made on concepts and ideas that are far more abstract than training - direction that the organization should take to maintain its competitive edge, for example. The key is to present "a credible business case based on a scientific approach".

What should be included in a business case, you ask. The first and most important question is why do we need training? That is, which problem(s) are we trying to resolve or avoid? Once we have identified the problem, we can establish whether training is a solution as well as the percentage of the problem that it would resolve? In-turn this would lead us to the potential benefits and cost of the training solution. Finally, a good business case should also address inherent risks.

Quantifying the costs and benefits of training will be discussed in greater detail in our upcoming issues? Meanwhile, why not gain more insight in this area by reviewing ADVISOR Enterprise "Improve Human Performance" module. It analyzes a performance deficiency, detects the source of the problem, identifies solutions - including training - that could produce the desired level of productivity, and recommends interventions to maximize the return on investment •

<http://www.bnhexpertsoft.com/english/products/advent/overview.htm>.

Please forward comments and questions to  bahlis@bnhexpertsoft.com.

Click on following link • <http://www.bnhexpertsoft.com/subscribe.htm>

To receive free news and promotion

About BNH

Established 1987, BNH provides a wide range of products, consulting services and workshops related to, Needs Assessment, Media Selection, Return on Investment (ROI) and Financial/ Business Management. We can help you track the cost of training/learning activities, measure and maximize their impact on your organization.

Our products include ADVISOR P.I. - A Needs Assessment Tool to Improve Performance, ADVISOR 3.5 - A Media Selection and Return on Investment Tool, ADVISOR Enterprise A Business/Financial Management System and Answer Me THIS...! - For Creating Educational Games. For additional information and to download demos, please visit us at •
<http://www.bnhexpertsoft.com>

Copyright © BNH Expert Software Inc.