Corporate Training Usefulness Questioned

Idea In Short

Stop treating corporate training as an event. Treat it as a measured process that ends only when performance improves. Define business outcomes, involve managers before and after, drive follow-through and document results in dollars. Otherwise you are burning money.

A Huge Market With Questionable Returns

Training magazine estimated that corporate learning and development spending reached approximately $70 billion annually for companies with more than 100 employees. While that is a huge number, it felt about right. All of this training takes the form of learning and development headcount, outside consultants, training tools, travel and other education spending. The estimate worked out to roughly $700 invested per learner per year. Not hard to imagine.

Spending has only grown since then. Recent industry reports show U.S. training expenditures surpassing $100 billion, with companies averaging over $870 per learner 1. The scale of the investment raises a simple question. How useful is it?

Most Training Is Poorly Done

For anyone who has sat through endless hours of online mandatory training or attended an offsite session, the experience is often fun but ephemeral. If you ask attendees whether the training was valuable, they will likely say yes. It is free, it is better than toiling at the office and it is often seen as a perk. If you follow up with a second question about whether they would pay to send a dozen people to this training if they owned the company, the answer is usually no.

This gap between perceived value and actual value is the core problem. Training feels good in the moment but rarely changes behavior or business results. The issue is not the intent.

The issue is the execution. Without discipline, training becomes an expensive ritual rather than a performance driver.

Training Is Genuinely Important

No question, there is a burning need to invest in human capital. Most businesses are really just people and intellectual property. Most inputs of business are readily accessible to all competitors. Software-as-a-service technology, global supply chains and global capital can all be purchased on demand like a utility service. Your real differentiator is your people and the intellectual property they create.

For new college graduates or entry-level employees, there is a ramp-up time before people become productive. It is an S-curve for new employees as well as for established career veterans. For those ten to twenty years in the same function, it is easy to stop sharpening skills. It is easy to fall into a knowledge rut. The ambition and ability to continuously learn should rank high on any leader's list of priorities 2.

The Six Disciplines Framework

A useful framework for fixing corporate training comes from the book The Six Disciplines of Breakthrough Learning. It is a consultant's book, clearly divided into a Define, Measure, Analyze, Improve and Control performance improvement format with scholarly research behind the recommendations. The six disciplines offer a practical roadmap for turning training spend into business results.

Define Outcomes in Business Terms

The first discipline seems simple enough, but most training lacks the rigorous self-reflection to convert efforts into dollars. The issue is not whether new skills are learned but whether they are used in a way that benefits the organization. It is critical to pick the right problem to solve. Segment and target the right audience for the training. Get line-manager input and understand that it is probably a systems problem with many variables, not just a training problem.

Do not apply a peanut butter approach and spread generic training around. That is redundant, blunt and dehumanizing. Learning teams should hold themselves to the highest standard and track their impact in dollars and cents. If there is no return on investment from the learning, why are we doing it? What is the business impact?

Design the Complete Experience

The second discipline emphasizes that people must know why they are in training, what the expectations are and how they will apply the learning. Research shows that when managers speak with students before training, retention and purpose increase significantly. Accountability works.

Training is not an event. It is a process that finishes only when lessons are applied and performance improves. Thoughtful programs provide support resources well after the training ends. Of the last ten trainings you completed, how often was there follow-up to ensure you applied what you learned? The answer is usually zero. In a Define, Measure, Analyze, Improve and Control process, that is a fail.

Drive Follow-Through

The fourth discipline is where most training fails miserably. Most training becomes scrap, like a manufacturing plant that makes product poorly and wastes resources, time and materials. Research has shown that less than 30 percent of training gets transferred to the job 3. There are many reasons people do not follow through, including time pressure, conflicting priorities, lack of support, lack of commitment, fear, resistance to change, poor planning and lack of accountability.

Management thinker Ken Blanchard argued that organizations should spend ten times more energy reinforcing the training they have just conducted instead of looking for the next great learning initiative. This requires systems and processes to repeat the message, make change easy, track results and applaud victories. Hard-wire the change and keep beating the drum until it sticks.

Deploy Active Support

One influential study showed that involving the manager before and after training was the first and third most potent learning transfer strategy. The manager sets expectations before training, telling the employee not to goof around. Afterward, the manager asks how the employee will use what they learned. This seems like simple parenting, but it works. Manager involvement is the single biggest predictor of whether training transfers to the job.

Document Results in Business Terms

In the improvement framework, this is the control phase. How are we doing? Training programs commonly goof at measurement in three ways. First, they measure activity instead of outcomes. We trained 700 people and invested $6 million. So what? Second, they confuse positive reaction with positive results. The facilitator was knowledgeable and fun. That is a bad measure. Third, they adopt a learning perspective instead of a business perspective.

Business leaders investing billions in learning and development have a simple question. How is this affecting business results? If learning teams cannot answer that question in concrete terms, they will continue to lose budget and influence. Measurement must connect training to performance, not just to attendance.

The Real Takeaway for Managers

This is a big problem. Unless managers start treating learning and development more seriously and more systematically, setting clear expectations for learners to convert knowledge into business results, organizations will waste enormous amounts of time and money. The fix is not more spending. The fix is more discipline. Define the outcome, design the full experience, deliver for application, drive follow-through, deploy active support and document results. Treat learning as a process that ends only when performance improves.

- 12025 Training Industry Report, Training Magazine
- 2When Companies Should Invest in Training Their Employees, Harvard Business Review
- 3Transfer of Training, Wikipedia

Summary

Corporate training is a massive investment with a poor return. The fix is not more spending but more discipline. Define outcomes, design the full experience, drive follow-through and

measure results in business terms. Treat learning as a process, not an event.