

“SMART COMPANIES DON’T CUT TRAINING IN LEAN TIMES”



Leslie Rose McDonald
President, Pathfinders CTS, Inc.

Times are challenging. The economy is sluggish. Companies continue to re-organize and downsize to save money or improve efficiency. Businesses are cautious about how they are spending their money. One of the biggest challenges you face is how to determine the priority of expenditures.

It is a common reaction in tough times for businesses to cut their budgets for employee training and development. Conference attendance plans get cancelled, external training or coaching gets put on hold, and dues for professional organizations get postponed. Smart companies that have a longer-range focus, however, understand the necessity of finding a way to continue to invest in the development of their people, even when times are tough.

There are several important business reasons not to cut critical training and development efforts during times like these:

1. Companies who stay future-focused and are willing to make this investment a priority will be armed with highly trained employees and well-developed management when the economy turns around. This will help them to be poised to have a more competitive edge going forward. While their competitors delay and suspend employee development, visionary organizations will be pushing forward, understanding that to wait until robust times to develop their talent will be too late.
2. In organizations that have needed to downsize and/or re-organize, the result has been many "survivors" performing multiple jobs. In many cases, the jobs that they inherited are ones that they were not hired to do, nor are they professionally equipped to handle. When employees are expected to do a job for which they have not been trained, they feel incompetent. If they feel that they are doomed to failure at your company, they may very well leave to be able to feel successful somewhere else. (Don't forget, these are the valuable people that you chose to keep.)
3. Investing in professional development, especially in tough times, sends a strong and positive message to your employees. They want to feel that they are in a place that is viable and competitively positioned for their future. Preserving and promoting professional development will help make employees feel confident about your company and of their continued employment with you.
4. Some employees, especially the younger ones who are serious about their budding careers, expect you to invest in them, or they will leave. They thrive on skill acquisition and professional growth. If you don't recognize this important need over a reasonable period of time, you will be at risk of losing some of your best and brightest potentials. Remember, too, that the cost of professional development for employees is far less than the cost you will incur to replace them.
5. Learning organizations - those who place a high value on knowledge assets and continuous learning - are predicted by the experts to be the ones who will survive the heated competition for talent and customers in the next decade.

Where are your spending priorities? Do you consider training and development an expense or an investment? What is the message that you are sending to your employees? Is it one of fear and uncertainty? Or, one of courageous trust and confidence in the future?

Your company, with proactive and positive support of employee development can send this message loud and clear: "We value you, we support you, and we are willing continue to build your skills so that together we can be more successful in the future."