

Moving Leaders to Invest in Learning: The Strategic Imperative

By **Garry Priam**

“Take away my people, but leave my factories, and soon grass will grow on the factory floors. Take away my factories, but leave my people, and soon we will have a new and better factory.”

—Andrew Carnegie

ANDREW CARNEGIE, THE FAMOUS SCOTTISH-AMERICAN industrialist, spoke volumes about the true heartbeat of organizations; people are the linchpins that make the difference in whether organizations flourish or fade.

However, while organizations consistently purchase new equipment and technologies to offer superior products and services, investing in employee development is sometimes an afterthought.

Become More Invested In Learning

While it is true that many organizations invest in training and development for their employees, they do not do so on a consistent basis. Continually investing in professional development is beneficial and important for both employee morale and for the organization’s bottom line. However, purposeful alignment and the type of learning is key to substantiating the ongoing investment.

The benefits of learning are well-lauded and range from higher customer satisfaction to greater innovation, and lower costs to faster growth. Having a reputation for being a learning organization can also have significant impact on recruitment and retention.

That said, different types of training lead to different positive outcomes for companies:

- Innovation training encourages new ways of thinking, potentially leading to new products and services;
- Service training can lead to better customer experiences and brand loyalty;
- Sales and product knowledge training leads to increased revenue and market share; and
- Leadership training can help employees grow personally and be professionally groomed for internal promotions, saving the organization time and money instead of bringing in outside candidates.

Take a Stake in Learning

Training needs to be a strategic priority for organizations in order to be effective—with strong support from management and the C-suite. Employees need to see the benefits of the training, feel comfortable with it and take the time to attend. If they are involved in the training process, they will be more apt to buy into the training programs.

“In essence, learning and development is at the core of what high-impact performing organizations do,” says Todd Tauber, VP, learning and development research with Bersin by Deloitte.

As such, effective learning and development begins with involving the right stakeholders. Essentially, the three levels of involvement are the executives, the managers and the individual employees. In other words, the entire organization needs to be on board; if it is not, the transformation will not be sustainable.

Senior leaders and HR professionals play a pivotal role in modelling the desired behaviour, and facilitating the development process with both encouragement and ongoing challenge. They can even join the mix and take the organization’s training courses—endorsing and introducing the outside training consultants, teaching some of the training courses, appearing in training videos and other materials, and talking about the value of the training. If these behaviours are displayed from above, the inspiration becomes an infusion for the entire organization.

Outcome, Efficiency and Effectiveness

You might be asking yourself, “What if I spend the money on training and staff leaves?”

The more important question is: “What if you don’t invest in training and they all stay?”

Understandably, the ability to build a business case is critical as most executives want to see a positive impact and how it affects the bottom line. When talking about spending, measuring the impact of learning and development involves several variables.

Training for training’s sake is not a good use of resources, so organizations must ensure staff are learning what is planned and is helping them do their job better. Most importantly, there need to be measurements of outcome, efficiency and effectiveness—wherein outcome is what the organization will gain from the training, efficiency focuses on the material being delivered in a proficient way, and effectiveness measures the quality of the training.

Bear in mind that measurement should not be considered a one-time thing. Follow-ups should be done on a regular basis to determine if the programs need adjustments.

Make the Most of Your Investment

Getting the most bang for your training dollar bucks is a priority for organizations and incorporating a blended learning approach, which includes instructor-led training and online e-learning, can be very effective.

Remember that the IT department is a critical stakeholder to include in online learning decisions, including the selection of the online tools and making sure your organization’s current technology is suitable.

Link Learning to Strategic Goals

Each learning and development project should be linked and aligned with your organization’s strategic goals and each goal should have a sponsor—the senior person responsible for the outcome. Learning and development has no benefit unless the

employee applies it on the job. After the course, it is up to the sponsors and the employees to guarantee this is done.

If the training's purpose is to increase company sales, then the training course designer and the head of sales need to have a conversation so there is clarity from the start. This discussion can help determine whether training will even achieve the intended goals.

Kal Tire Inspires Learning in Action

As a consultant, I've worked with many organizations in Canada, the United States and Europe. One of my most fulfilling experiences was working with Kal Tire on a two-year training project.

Kal Tire has a very progressive approach to ensuring a culture of continued learning, with its "pay-for-knowledge" strategy that encourages employees at all levels to develop their skills and knowledge. When team members demonstrate learning, and consistently show competence, their rate of pay increases. The more they learn, the more they earn. It's done for everyone in the entire organization, from new store team members all the way to senior management.

Team members control the speed of their salary increases by their abilities and knowledge, and Kal Tire ties the wage increases to measurable indicators, so the higher their proficiency levels, the higher their wage rate. The goal is to pay everyone top dollar, which means if everyone is paid at 100 per cent, then everyone is performing at 100 per cent. That's where Kal Tire's high-service reputation comes from—working hard to make sure their team members are skilled.

Learning From the Ground Up—for Everyone

Another area of progressive learning with Kal Tire is that all team members—including the president—go and work in Kal Tire stores for six to nine months before they start their actual jobs. Case in point, during our project work, Kal Tire asked the other consultants and I to work for a couple of months in the stores to understand the foundation of their business. During this time, I was doing everything a frontline team member does including

changing and balancing customer tires, flat repairs, serving customers, sales calls and doing product inventory. Without a doubt, working in the stores allowed me to be a more effective consultant and gave me more insight and credibility when we began the blended learning training project.

Perhaps most significantly, Kal Tire was willing to invest a lot in me as an outside consultant, which shows you the lengths they go to in investing in all of their team members.

Honing Your Competitive Edge

It is essential that organizational culture is included in learning and development. Making sure it is aligned with your company's strategic objectives, is considered a priority, has multiple learning delivery methods and is supported within your entire organization are keys to success.

What makes building a case for such cultures imperative can also be approached from a purely external perspective. Simply put, there is more competition for top talent, and people are looking for better opportunities to grow where they work. In this light, people feel more valued when organizations spend the time and money to invest in them, leading to a positive relationship between company and employee.

There is great truth in the fact that if people feel they are being invested in, they will invest themselves in their work. Such synergy also affects retention, as supporting professional growth is one way to ensure employees do not jump ship. Even if an employee is offered a slight increase in pay from another company, they are far more likely to stay at your organization if they feel valued and have a voice. By investing in your people you are strengthening the legacy of your organization's greatest competitive advantage. 

Garry Priam, B.Sc., Adv. Project Mgmt. is a professional speaker, corporate trainer, project manager, Italian author and owner of Mossa International Incorporated (mossa-intl.com) which specializes in business consulting and leadership and team development solutions.

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