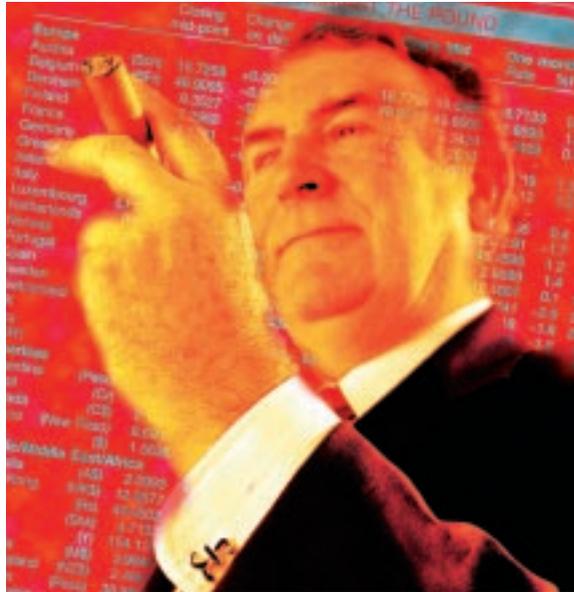


Meeting the business need

Barry Johnson and Mandy Geal



Key learning points

- How training is directly geared to the business need.
- How training prepares us to meet future business needs.
- How learning objectives are linked to operational objectives.

Introduction

In qualifying for Investors in People, we were surprised by the emphasis put on matching the learning in the organisation to the business need. Why would our adviser put so much emphasis on something so self-evident? Having been in business organisations all our working lives, we know there are only two reasons for ensuring that employees have the required skills, knowledge and attitude:

- The first is to enable them to meet the requirements of their current job and, through that, meet the business plan.
- The second is to build the skills, knowledge and attitudes for their career in the company, so ensuring a supply of people for the evolving organisation, and future job opportunities.

Why else would the company invest in training to meet job accountabilities, and in development to realise the potential of individuals?

Then we thought about the organisations that we have worked in. This prompted some questions that may also apply to your organisation:

- Is the training both on and off the job directly geared to the business need?
- Could all the training done be justified in the context of the business plan?
- Is the development of individuals to realise their potential geared towards the strategic plan?

Reluctantly, we concluded that much expenditure of money and time on training and development was not directly geared to the company's business need. No wonder the training budget gets cut.

In this article we shall explore business-based training needs analysis (TNA) top down and bottom up.

First rule of business TNA

Know the impact of your training on the business operations

BOAC was one of the forerunners of British Airways. Some years ago, Flight Operations trained the pilots, flight engineers and cabin crew. The Flight Operations training programme and the training budget were directly geared to the operations schedule for the year. One November, a finance manager was consulting with the Flight Operations training manager, to cut his budget. The training manager asked one question: 'Which flights will be cancelled because they will not have trained crews?'. The budget was not cut.

You might argue that it was easy for the training manager to see the link between training and the company's operations. You might say that it is much harder to show the link in management and general training – and we would agree. We will also say that being able to show that link is vital for a thriving and respected training function.

Let's go back to the BOAC example. We have said that each learning objective should be couched in terms that relate to the business requirement. In the case of the BOAC pilots, it might be:

Given a fully serviceable VC10, I will be able to fly the designated route safely, meeting all time schedules within the prescribed limits, by the scheduled take-off time and date.

Such an objective can be 'chunked' up to the bottom line. Quite simply, if the pilots can't fly the planes, the business will go broke.

We are used to course objectives. Ask yourself how they are related to the individuals' learning objectives and how they are related to the business plan.

Conclusion

We believe the skills, knowledge and attitude of people are the core of business success. We believe the staff need to acquire those skills, knowledge and attitudes. It follows that business TNA starts with the business need, and that business need is primarily presented in the business plan.

It also follows that trainers are absolutely crucial to the success of the business.

Authors

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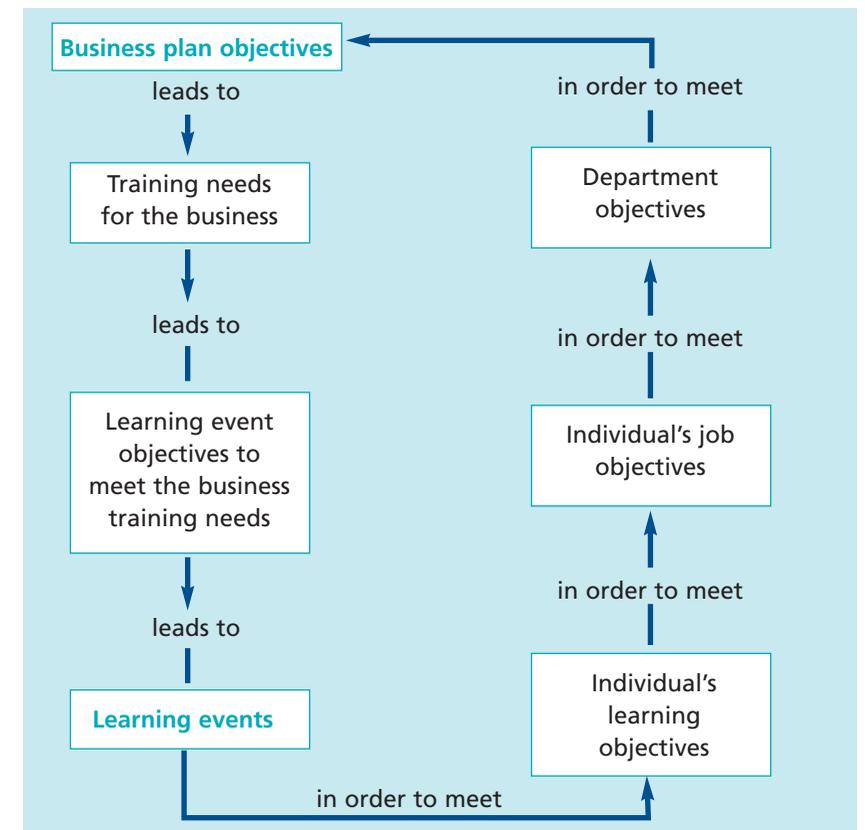


Fig. 2: Simple business training needs cycle

Business-based training health check

- What is changing in the market environment, and what will the impact of that change be on the business? What training will be driven by this change?
- Who are the people who will implement each element of the business plan? Do they have all the skills necessary?
- How are course objectives related to each individual's learning objectives; and how are they, in turn, related to the business plan?
- If the funding for training is cut, what part of the business plan is going to be cancelled?
- What business output will be curtailed if the training does not occur?
- What is the priority spend for the limited training budget to keep the company profitable?
- What lack of training may put the company in legal or financial jeopardy?
- What training is required to enable the strategic HR plan?

Second rule of business TNA

Gear the training to current and projected changes in the market

Not many years ago, BT was a monopoly. STC Telecommunications was one of its cost-plus suppliers, so it had no real marketing and sales function. Then BT was to be privatised. The STC Telecommunications training manager recognised the potential problem. The business training needs were for managers and senior professionals to understand the changed environment in which products had to be competitively sold, and what the market was, how a company operated in a competitive market, and the terminology they would have to become comfortable with.

He gained the support of the managing director and, with the necessary budget, designed and ran a three-day training course for all managers and senior professionals from all functions, to give STC Telecommunications a critical mass of people with that understanding. As trainers, we must understand the business we are in. What is it we sell to our market? In the case of charities, what is it we provide to our clients? The next questions are these:

- What is changing?
- What will the impact of that change be?
- How can our training contribute to helping people in the organisation have the skills knowledge and attitudes to prosper in the new situation?

For credibility, trainers must proactively raise the issues with the decision-makers and project forward the training requirements, so training budgets can be allocated.

Third rule of business TNA

Deduce the training needs implicit and explicit in the business plan

Business plans are normally produced annually, projecting the next five



years. Such plans include goals to be achieved, strategies to achieve them, and objectives for the first year. The plan, usually identifies the executives responsible for delivery.

The strategy may include, for example, elements such as the marketing plan and the R&D plan. The sales plan may include items such as 'implement sales approaches' in some detail. As part of the sales plan, there may be a requirement to improve the 'qualification' of potential customers. Undoubtedly 'qualification' occurs now. From this plan, some questions need to be asked. Who are the people who will implement that element of the plan? Having identified the individuals, do they have all the skills necessary? Let us assume they don't. That means some learning is required. If that is the case, each of them can be given learning objectives.

Business-based learning objectives

From the business plan, it is usual for the operating objectives to cascade through the organisation. The

qualification of customers was an item in our business plan. The learning objective for one person that stemmed from that business plan item read as follows:

Given the TAS process, by the end of April, I will be able to qualify opportunities, measured by a ratio of closed business of 4 out of 7 opportunities.

The important point is that there is a direct link between the business requirement and the learning needed. It is expressed as a personal objective; for example, 'Having completed the learning, I will be able to do x, y or z'. What is not stated is 'how' this will be achieved. This is where the training professional comes into their own, to help the person to identify the training strategy to be adopted. Does it require a course to enable the person to acquire the skills? Are there people in the organisation with the skills to coach the person? Clearly, others may be involved, including the person's manager.

The business plan is likely to generate a good deal of training. If the funding for the training is not available, the question is: 'What part of the business plan is going to be cancelled?'

Priorities

Our observation from working in a wide variety of organisations is that their fundamental TNA is not always overtly business centred, and is often driven by an assumed obvious requirement. For example, 'We need Health and Safety, so what do people need to learn?'. The analysis has begun, and very sensible it may seem. But what else is required? What does the business plan say? Is there a more important spend for the constrained training budget, to keep the company profitable? Will a priority on the business plan have to be downgraded to allow for Health and Safety, or will a budgetary

enhancement have to be made? If the Health and Safety is not done, will that put the company in jeopardy? A decision may need to be made at a senior executive level, and you – the trainer or training manager – are the person making the case. To handle this, you need influencing skills.

Bottom up

The approach so far has been top down. Bottom-up training-needs identification is also business driven. We shall describe a process, but we are not going to use the word 'appraisal'. There are two reasons for that: firstly, it conjures up all sorts of different images that may get in the way of what we are saying. Secondly, it is often an after-the-event interaction and associated with evaluation and judgement.

Consider a one-to-one interaction between the manager and a member of staff. The purpose of the one-to-one is to maximise the contribution of the member of staff to the business. To do that, some clearly defined factors must be in place.

Both parties must be aware of the business plan and, more specifically, how it relates to the department and roles in the department. In the context of the one-to-one, the manager asks open questions and the member of staff gives their view. The purpose of the one-to-one is to ensure directors, managers and staff members regularly review their learning needs, to meet the business requirements of the company.

This is a manager process, but the output will impact directly on the trainer. The basic questions a person wants answered are these:

- what is expected of me?
- how am I doing?
- what do I need to learn?

The answer to the last question arises from the first two questions, and is directly related to training. The member of staff is then asked to write the leaning objectives that stem from the discussion. The person (an adult) owns their learning objectives.

We need to be clear about three things at this point:

- 1 The person owns the learning objectives.
- 2 They are directly related to the business because that has been the focus throughout the interaction.
- 3 The person has to know how to write personal learning objectives.

Matching objectives to the business

An individual's learning objectives should be related to the operational objectives set with the manager. The link is the answer to the question 'For what purpose am I learning this?'. For the operational objective they have been set, asking a similar question – 'For what purpose?' or 'To achieve what?' – should 'chunk' the objective to a higher level. This questioning is repeated. In a business, if this does not end up with the business plan objectives, one must question why the operational objective, and consequently the learning, are being done. The answer may or may not be valid.

What we have shown in Figure 1 is a direct link from some learning goal containing specific learning objectives to the business plan.

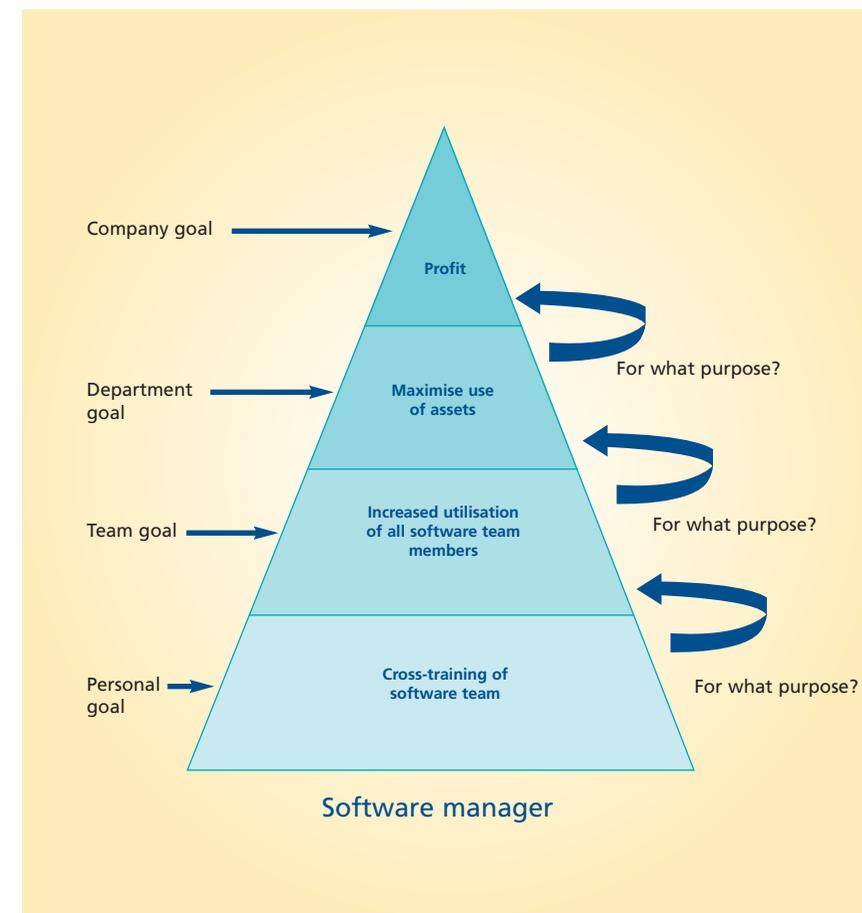


Fig. 1: Meeting operational objectives