

In This Issue: Making The Most Of Your Training & Development Dollars

Test for Success
Tools, Tips, & Techniques for Avoiding
Hiring Mistakes and Developing People
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Your training and development resources are limited, so getting maximum bang for your training and development buck is important. In order to make sure you get the most for your money, let's back up a step and examine why you are sending money on training and development in the first place.

When you spend money on training and development, you are making an investment in your human resources, an investment that can have a direct effect on your company's profitability and growth. The more effectively your people do their jobs, the more effective, and profitable, your company becomes. Thus, it makes sense to create ways for your employees to be more effective through training and development activities.

There is a hidden flaw in this argument, however, and that is the simple fact that employees at all levels of the company vary in their effectiveness. Some are consistently more effective, while others are less so. The hard fact is that not all employees are equally capable of making a reasonable return on the training and development dollars you invest in them.

Let's review how effectiveness on the job is distributed, generally speaking, among employees in most companies.

Category 1: The "A" performers.

This group usually makes up somewhere between 5% and 15% of the workforce. These are creative problem solvers and innovators who make regular contributions to the

company's growth and profitability. They are "low maintenance" people who cause few employee relations problems.

Category 2: The "B" to "B+" performers.

This group accounts for roughly half of the employees; these are solid, dependable performers. They are good at problem solving and require little corrective supervision. While there will occasionally be an exception, they are, for the most part, "low maintenance"

Category 3: The "B-" to "B" performers.

This group usually makes up roughly 30% of employees; these are fair to good performers who require moderate maintenance and corrective supervision.

Category 4: The "C" performers.

The bottom 10%, these are the marginal to poor performers. They soak up the majority of corrective and supportive supervisory time and account for the bulk of employee relations problems.

The percentages in each of the four categories vary from company to company and from time to time.

As a general rule, strong people (the ones from Category 1 and 2) have the greatest potential to increase your company's profitability and growth. These are the people whose effectiveness has the greatest potential return on the investment of your training and development dollars.

For a variety of reasons, employees in Category 3 have more limited potential for growth than the employees in Categories 1 and 2. Most of the reasons, by the way, are pretty much out of your control, and include factors such as basic personality characteristics, poor life decisions, and so forth.

Employees in Category 4 have limited potential for growth, either because of being in unfortunate circumstances in their lives or because of professional or personal inadequacies.

One word of caution, however, before you dismiss B- and C rated employees from consideration for training and development investment: some people simply lack training or education in a particular area; once they have "learned the ropes" a little better, they may become much more productive on the job. These people are "diamonds in the rough;" helping them grow takes a bit more work, but it is worth it in the long run, and it is one of the reasons that careful evaluation of applicants and incumbents is important.

Making your strong people stronger has the greatest potential payoff for your company. One of the main goals of your selection process, therefore, is to find and hire more Bs, B+s and As. These people have the greatest potential to increase your company's

profitability and growth, so these are the people who are most likely to benefit from job-related training and development.

When you have identified the likeliest candidates for special training and development, how do you decide the kind of training? Sending large groups of employees to generic “management” training is usually a waste of money. Training efforts should be focused on what the individual employee needs to learn his or her job better and to be able to take on more responsibility. This means that the size of a training group should be determined by including only those who will benefit directly from the context of that training.

All employees can benefit from training that helps them to be more effective, but it should be training that is appropriate to their current or next-level-up job duties and responsibilities. It makes no more sense to send the janitor to a leadership course at Harvard than it does to send the Chief Financial Officer to the course titled “The Outstanding Receptionist”

Training small groups of individuals according to what they need to learn in order to be more effective, and avoiding the “one size fits all” approach to training, makes the best use of your training and development dollar.

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Remember, People ARE your most important asset!

To Hire the Best, Test!

To Reveal Management Potential, Test!

To Diagnose Problem Behavior, Test!

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