

# Why corporate training efforts fail

Improve your training if you want to achieve your business objectives.



Dr M Amr Sadik

Organisations spent millions of dollars to improve people performance through training and development activities and programmes but, despite such fact and the investment made, corporations still complain about the failure of improving performance and the impact of

bottom-line results.

In my quest for some logical answers to this dilemma, and being a former training manager at different organisations, I found out that there are several reasons which lead to this significant waste of training dollars and a failure to live up to its promise that have been mentioned in several books and articles many times before.

Despite the fact that the reasons mentioned in this article might not be comprehensive, they will give you a sound idea of the core problems that confront those who are really serious about achieving enduring performance improvements in their organisations. The worst part of my findings, most times, are:

- In depth analysis of training needs and assessment of those needs;
- Evaluation of training; and
- Challenges of ROI.

## Training Needs Analysis vs Assessment

Training Needs Analysis is a search for solutions to performance issues, and one outcome would be to develop a training programme or a series of programmes. But, Training Needs Assessment may set training priorities, as it determines not only which problems are most pressing, but which can be most economically solved through training.

Practitioners fail to differentiate between the two, Analysis vs. Assessment, or fail to prioritise the training activities through the assessment that can lead to over spending of dollars in training and

ineffectiveness of activities.

## What to evaluate

Training evaluation may look easy, but the fact is that the evaluation process should have two objectives:

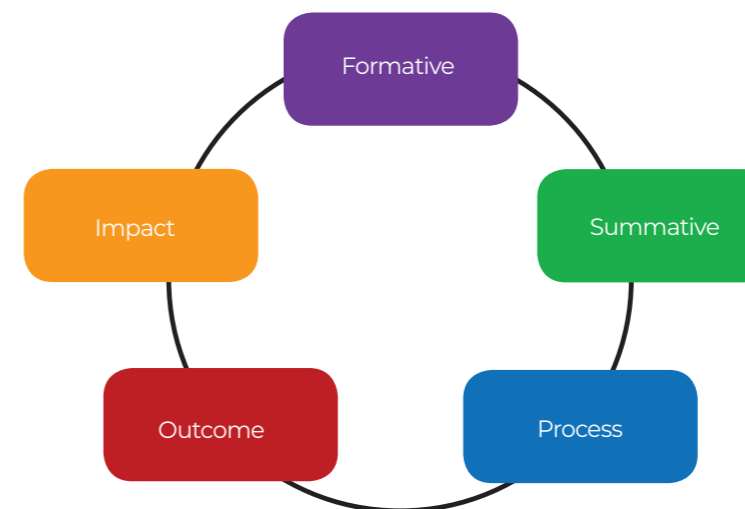
1. Quality control to determine whether the programme and training efforts are worthwhile. Are trainees going away from them with needed skills? Are they applying these skills back on the job?
2. Cost-effectiveness – is the cost of the training justified by results? Could the results obtained through training have been achieved in a less expensive way?

Practitioners, mainly, rely on superficial trainee reaction. We call it the happy sheet. In most training courses, the happiness index reigns supreme as the ultimate evaluation device. As long as trainee satisfaction is the key evaluation dimension, training will remain little more than entertainment. When there is a desire for training to really contribute to organisational results, new accountability mechanisms need to be established.

Training professionals need to ask, “How do my efforts really contribute to organisational results?” The answer to this question is not an easy one. But it is essential that the evaluation of training focuses more on performance and impact, and less on satisfaction alone. A new approach to evaluation will have to be developed, although much progress in measuring performance has already been made.

Evaluation can play a bigger role in the training effort than simply providing feedback on results. Practitioners have to think using in-depth evaluation techniques and to select them appropriately, because companies have made large dollar investments in training and education and view training as a strategy to be successful. They therefore expect the outcomes or benefits related to training to be measurable.

There are several types of evaluation that can be adopted:



- **Formative Evaluation** – Evaluates a training programme during its development stage in order to make modifications early on to help improve the programme;
- **Summative Evaluation** – Conducted after the training programme has been designed in order to provide information on its effectiveness;
- **Process Evaluation** – Focuses on the implementation of a training programme to determine if specific strategies and activities were implemented as intended;
- **Outcomes Evaluation** – Focuses on the changes in knowledge, attitudes and behaviors that resulted from training activities; and
- **Impact Evaluation** – Focuses on long term, sustained changes to on-the-job performance as a result of the delivery of a training programme.

Training evaluation provides the data needed to demonstrate that training does provide benefits to the company and its worth doing it.

## Challenges of ROI

Despite the emphasis on measurement among many practitioners, there is still an alarming gap between expectations and reality. In tough economic times or in trying times, training budgets are amongst the first to disappear.

Such decisions may be short-sighted, but it's hard to blame organisations that dispense with training and development, when it's hard, if not impossible to directly demonstrate a positive return on investment. Practitioners are facing massive challenges in calculating the ROI of training to show the worth of training.

As a matter of fact, an ROI consists of benefit and cost, and is expressed as a percentage or ratio: benefit minus cost divided by cost equals ROI. The formula is relatively simple; however, ROI is influenced by the interpretation of what the organisation considers to be the benefits and the

costs connected with training and development, and those who have attempted to measure ROI know that it can be very difficult to do.

An ROI for training and development requires that an organisation identify the business results that can be linked to the first three levels of Kirkpatrick's model (Reaction, Learning, Application and Implementation) and assigned a dollar value. There may be others, but these core deliverables can be linked to an organisation's specific training-and-development efforts.

## Final words

Training is a means to an end. No satisfaction, learning or job impact measures are meaningful if they are not correctly applied to the right urgent and pressing business problems. And if we know what these are, then we can measure things which are far more specific to those training initiatives.

Many training initiatives are reactive in nature, and this is fact. In 2009, an influential executive noticed a skill gaps or deficiency in decision making for CEOs who worked with him for more than a decade and prescribed training as the remedy without careful consideration for the long-term benefits.

In fact, training alone will rarely, if ever, provide for lasting and productive change in the way people do their jobs. People are able to change only if they have an understanding of the reasons for that change and can recognise a personal benefit if they do change their behaviour.

The world of business is changing and training needs to follow. By revising and improving the way training is approached, business objectives will be achieved in a more timely and accurate manner and productivity will also improve company-wide, and executives will, hopefully, stop complaining. ■

Dr M Amr Sadik is the CEO of Quodrat in Egypt, quodrat.com/en/ and Adjunct Professor, HR and Strategy Management at IPE Management School – Paris, ipe-paris.com.