



## Why Invest in Training?

Would you hire a machinist who wasn't exactly sure how to use a lathe? What about a mechanic who knew only "a little" about tuning a car?

It takes good tools and good skills to do any job well. Yet even with this knowledge, companies routinely ask their highly paid technical employees to use company software and hardware tools with little, if any, training. In these circumstances, it's not difficult to see that a lack of education and training can hinder employee productivity and, ultimately, company profits.

If you want to see your software systems deliver on ROI and productivity promises, you need to train your employees to effectively use the tools of the trade. Without proper training, even the greatest software solution's promises will go unrealized. To expect results from your tools without training employees on the skills they need to use those tools is unfair to the employee and unprofitable to the company. Without proper training, the productivity gains that you had hoped to realize from implementing expensive software and computer systems don't fully materialize. To make matters worse, untrained employees often hinder the productivity of trained colleagues because they must rely upon others to accomplish their tasks.

When you invest in training, you ensure that your employees get the skills they need to accomplish their tasks quickly and cost-effectively. As a business manager, you know that the link between training and employee productivity is well established. What you might not know are some of the other ways training contributes to your company's bottom line.

### 1) Training Increases Company Value

Today, intangible assets, particularly human capital, represent up to 85 percent of a company's value, compared to 38 percent 20 years ago.<sup>1</sup> Yet many companies fail to grow that value because they do not make the investment in training their employees. The situation is particularly troubling as the baby boom generation reaches retirement age. This impending talent drain is a real problem for today's businesses.

Effective training results in increased employee retention and shorter recruitment cycles. Training can turn confused, unskilled, and uncooperative

<sup>1</sup> Society for Human Resource Management.  
[www.shrm.org/metrics/library\\_published/nonic/humancapital/1hc.asp](http://www.shrm.org/metrics/library_published/nonic/humancapital/1hc.asp), April 21, 2005.

[vthearne@piercewharton.com](mailto:vthearne@piercewharton.com)

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workers into great employees. Trained workers are happier with their jobs, and happy workers are much less likely to leave. This is especially important to information technology companies because low turnover allows them to retain their most expensive and efficient employees.

With the complexity of the modern workplace and shortage of skilled workers, companies need to commit to ongoing training if they want to keep and grow their human capital.

## **2) Training Helps You Achieve Your Business Objectives**

The evidence is overwhelming that training is essential to achieve a range of business objectives. Effective training ensures your IT professionals, your end users, and your decision makers have the skills and knowledge they need to implement the right solutions in the right way. This reduces your total cost of ownership by allowing everyone to avoid expensive mistakes.

Training also provides a foundation for your company to increase its competitiveness. Now, there is growing evidence that firms are using training as a strategic weapon to close productivity gaps between themselves and their competitors. Training ensures that consultants, project teams, and end users receive information that is geared to their needs, thereby increasing productivity, ensuring implementations are successful, and keeping your organization one step ahead of the competition.

When you consider that teaching your employees new skills and methods will help them do things more efficiently, you can see that as employees' skills increase so will your company's ability to compete.

## **3) Training Helps You Manage Change**

A significant challenge to all technology implementations is managing change. Many companies underestimate the impact that technology has on employee behavior. Because new software solutions affect the known work processes of your employees, some workers are reluctant to change the habits with which they have become comfortable. This reluctance can manifest as simple "foot dragging" -- a refusal to learn new technologies -- or worse, active efforts to utilize and maintain "shadow systems," which usurp company resources and sabotage implementation efforts. Whether resistance is intentional or not, when employees are left on their own to deal with change, frustration inevitably leads them to revert to old behaviors.

Effective training is an essential part of a comprehensive change management process. Training programs can mitigate change management issues by building

[vthearne@piercewharton.com](mailto:vthearne@piercewharton.com)

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employee confidence in new technologies and processes. Training helps employees understand both the *why* and the *how* behind the change. Effective training can rejuvenate enthusiasm and encourage greater flexibility. Moreover, employees actively engaged in their own training are more likely to support, rather than work against, change.

Companies who spend wisely know that simply deploying software does not create value. To provide quality goods and services, excellent customer service, and consistent profits, a company must have a strong training environment. A company that provides employees access to the training and support will reap the full value of their technology investments.