

TRAINING IS AN INVESTMENT, NOT AN EXPENSE

Across the decades, it's easy to see the benefits training has on businesses.



BY MARK RICHARDON

About 30 years ago, I was on a panel for an MBA program when another panelist said something that was very impactful in my business and in our growth.

He said, “Training is an investment, not an expense.”

I remember at the time we were very busy and were looking for things to cut out of our week (and budget) to try to pick up the much-needed time and to reduce overwhelm and expenses. I discovered then — and still find now — that a natural place businesses try to cut back to reduce overhead is often in training meetings/activities ... a big mistake.

Turn the calendar back to 2010. I was leading a group of 14 established remodelers that had just come out of the downturn of 2008/09. I asked them a simple question and will never forget the answer. I asked, “How many of you, in the last 12 to 18 months, have decreased the amount of sales training that you did before the downturn?”

The answer was that four had increased that amount of sales training and 10 had decreased the training to save time and money. Then I asked, “How many of you have seen sales increase versus decrease in that same period?” While as a training evangelist I was hoping for some validation that training mattered, I was surprised that the four that had increased the training had seen an increase in sales and all 10 that had decreased it had seen a decline in sales. Additionally, the companies that increased training had also seen better retention of

salespeople and a more motivated sales environment in very tough times.

Over the years, I have watched remodeling businesses treat training as an option (and when it is an option, you are not very effective at it). I have seen businesses get away from practicing in favor of just doing. I have seen training topics and techniques get stale and not really change while there have been so many changes in the environment and the marketplace.

The reason I like the theme that “training is an investment” is that it forces you to change the paradigm about training. For any investment, you want to see a return. As an investment, you need to define and quantify the return. You need to not only look at the cost but also, perhaps even more importantly, the effectiveness. Like other traditional investments, you need to stay current and relevant on what to keep investing in.

SOME TIPS AND ADVICE

The following are a few tips for improving your training mindset.

- 1. You should be the orchestra director, not the person playing every instrument.** Try to make a list of the training topics, then think about how they might be accomplished. Do not do it all yourself — it's too much work and the team will be bored.
- 2. Create a budget for training.** If you can see a 5% return on investment (ROI) in effectiveness, retention and profit, then investing 1% on training would be a huge ROI.

3. Deputize your team to train/mentor each other. If you have someone who is particularly good at something, then ask them to give “top 10 tips” on that subject in a sales or production meeting. They will not only feel pride by teaching others, but also be more committed to doing these best practices themselves in the future.

- 4. Create a vault of training videos, podcasts, webinars and topics.** Leverage this as a coaching tool when you or your managers are developing new team members or needing improvement with existing ones.
- 5. Try to instill the accountability of each team member so that they own their improvement.** In your coaching, try to give them little incentives that show how they can take their game to the next level.

When you are time-starved (or seeing good sales results) it is hard to invest in things that might not have a short-term ROI. But remember your business is a two-hour movie, not a one-second snapshot. This longer-term perspective is the difference from being a good and a great business. ■

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