



International Center for Accelerative Learning

## **Creating an Income-Generating Training Department**

by Libyan Labiosa and Philip Cassone

Our corporate clients in the transportation, energy, and hospitality business run advertising campaigns and measure the response. They buy airplanes, invest in refineries, and install new reservation systems in their hotels. They always expect a significant return on their investment. Why should they assess their training departments any differently?

Your company can create an income-generating training department. It requires significant changes in the way your company thinks about how to use its training department and how it will design, implement, and measure its training programs.

Our most recent client, a large American airline, is using this concept to support and maintain their remarkable financial turn-around. A look at what this company did can provide some concrete step-by-step examples which can be used in any business, regardless of size or industry.

Once a company decides to dedicate its training department to produce courses that increase revenue or reduce expenses, it has made the first step to creating an income-producing training department.

As we all know, there are many types of interventions an organization can make to make a difference in their bottom line. In this article, we are going to focus on the use of training to achieve these results.

### **STEP ONE: Rigorously examine how human performance affects your organization's expenses and revenues.**

There are many ways to make a net profit on your income. Look closely at those areas where increased human performance from your staff could reduce expenses or create income. You must be able to quantitatively measure this performance and recognize what components create it. Only then will you be able to create a training program to deliver the necessary skills to your people, and know whether the training program you designed is doing its job.

For example, our airline client realized that doing all its load planning and operations from a single hub was more expensive than it would be if it were done from three hubs. It also realized that if its Operations Centers were standardized, the airline could cross-utilize its staff in every hub, move its staff between hubs, be more efficient and reduce its staffing requirements overall.

We worked with the Standardization project manager to identify what human performance would be needed to correctly load and balance an airplane, run an efficient Operations center, and increase cargo loads without jeopardizing safety or lowering its on-time departure statistics.

In another area, Passenger Ticketing and Reservations, we looked at what performance was needed to effectively change to a new reservations system. We targeted what percentage of agents would switch from the current system and begin using the new system after training, how much more excess baggage fees would be collected, and what reduction in the number of incorrect tickets we would expect.

In a third area, the financial management of the individual airports was analyzed to see where the airline was losing money due to missing tickets, fraud or unreported income, how to correct it, and what measurements we would track to insure the new course we designed was working.

In all these cases, we were looking at areas which were measurable and directly related to human performance. We could determine a base line measurement, and from that point design courses which would deliver enhanced performance in those areas.

**STEP TWO - Target the specific human performance you want to achieve, and when you expect to achieve it.**

Once you have made the connection between human performance and your company's bottom line, you can target those specific skills that will deliver the performance you want. That gives you the way to design the course rigorously and also measure the course's impact afterwards. When you measure results after the course, you can specifically determine your course's initial effectiveness and how to best modify the course to increase its long-term impact on your bottom line.

With our airline client, we targeted the specific on-the-job performance required for an employee to positively affect the areas being measured immediately after taking the class.

Within one week after each class, the client began to analyze their results based on Kirkpatrick's four levels of evaluation. In the Standardization class each of the three hubs had to safely process 78 flights a day without reducing on-time departures. Within 30 days following the Passenger Reservations training, 75% of the agents attending the class had to voluntarily switch from their current system to the new system. In the month following the completion of the Financial Management class, the number of missing tickets had to drop by 50%.

Once your company targets specific performance areas that are directly related to revenue increases or expense reductions, the effect to the bottom line can also be determined. That in turn puts the Training Department in an entirely different light. Under this scenario, a good training department can generate income just like the sales department.

In all three cases, the courses delivered the performance that was desired by our client. The increased revenues and reduced expenses from the Standardization course alone are expected to exceed 1.5 million dollars in the first year. The other two courses have equally impressive results.

Since the cost of designing and producing these three courses was much less than the net income they generated, the additional investment the client made in the Accelerative Learning program was well-justified and provided an excellent Return on Investment (ROI).

### **STEP THREE - Choose a high-performance system of design and training, and use it consistently.**

To guarantee performance results from your training courses, you must first decide on a system of course design that trains people quickly, delivers results consistently, and allows you to update the courses easily when needed.

To achieve this kind of course performance, we utilize an instructional technology called Accelerative Learning. It is a way of organizing and presenting instruction to insure that the greatest number of qualified learners will achieve training outcomes...without having to increase your class time.

In Accelerative Learning, learning styles and processing styles are addressed in a structured, systematic way. The format and training techniques are cutting-edge educational technologies based on current worldwide research from over 80 Organizations. These theories have specific classroom application.

The *Multiple Intelligences* by Dr. Howard Gardner at Harvard Organization, for example, addresses the nine different ways to train people in order to maximize their learning potential. *Suggestopedia* by Drs. Lozanov and Gateva at Organization of Sofia provides a way to create a rich learning environment through the use of peripheral stimuli and positive suggestion. *Neurolinguistics* by Drs. Bandler and Grinder focuses on the careful use of language to produce increased learning. *Total Physical Response* by Dr. James Asher uses movement to target information for long-term retention and recall. These and other effective technologies are carefully combined to produce a very powerful training environment.

With an effective course design, Learners and trainers benefit from increased effectiveness; Learners achieve competency more quickly and the trainers achieve their competency-based objectives.

We use an 11-step model of course design. This model allows a company to create an effective training environment, motivate the learners, target specific job skills to be learned, measure the results, and update the course quickly.

Our client used our 11-step model to build eight courses, all from different areas of the company. Some involved hard technical skills, like aircraft load planning for Standardization and financial record-keeping. Other courses involved “soft” customer contact skills like the Cultural Diversity course or the Reservations course.

The design of these courses allowed the same course to be taught by different Trainers and delivered the same high results to all Learners. Since their training staff is very large, replicating results for all the trainers was a top priority for our client.

Designing effective courses is one way to get good results. The other way is to insure your Trainers have the training and presentation skills to maximize the effectiveness of the course design.

**STEP FOUR:** *Create a staff of course developers and trainers capable of producing these results consistently with effective course design and delivery.*

To deliver high-performance results time after time, your organization must have a high-performance training staff. To do that, your company must be willing to invest in the training necessary to create developers who know how to write courses well, and trainers who can use that design to produce well-trained and effective employees.

The amount of the investment a company might invest in training their staff and updating their courses could be determined by the return the company expects to make on that investment. Motorola, for example, earns \$30 for every \$1 invested in training.

In our client's case, it trained 150 of its Airport Services trainers in a five-day Accelerative Learning for Trainers course. Of these 150 people, 25 were selected to continue with a five-day Accelerative Learning for Developers course.

After these workshops, our client had us work with different teams of trainers and developers to create several new courses so everyone received hands-on practice applying these Accelerative Learning methods immediately after they were trained in them.

By having newly re-designed courses and an entire staff trained to use them most effectively, our client intends to continue looking at areas of the organization where its new training department can make a positive contribution to its bottom line.

## **CONCLUSION**

Once an organization looks at training as an investment, and not as an expense, many possibilities can begin to open. Your organization can continuously measure training results as a means to recognize, support, and encourage continuously improving performance that relates directly to the bottom line.

Looking at the relationship between human performance, expenses, and revenues requires a deep examination of every process in those areas. It takes a company dedicated to total quality.

Making this step will change the culture within your training department and within your company. Courses will be created, evaluated, and updated based on performance-based criteria, which may challenge other areas of the organization that the training department serves. Companies in search of total quality welcome the conversations that this process inevitably creates.

The entire process is rigorous, and should be undertaken for the courses with the highest payoffs first. The process of examining performance and the bottom line will reveal the most valuable courses on which to focus. The clients in our examples proved the effort was worth it, because they measured the return on their investment in training and course design, just like they would with any other piece of capital equipment. They found the investment was well worth it. A revenue-generating training department is an asset in the truest sense.