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Getting more from your training programs

To improve results from training programs, executives must focus on what happens in the workplace before and after employees go to class.

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Companies around the world spend up to $100 billion a year[1] to train employees in the skills they need to improve corporate performance—topics like communication, sales techniques, performance management, or lean operations. But training typically doesn't have much impact. Indeed, only one-quarter of the respondents to a recent McKinsey survey said their training programs measurably improved business performance, and most companies don't even bother to track the returns they get on their investments in training.[2] They keep at it because a highly skilled workforce is clearly more productive and because employees often need new skills to deal with changes in an organization's strategy or performance.

Given how important skilled workers are, companies must do better at creating them. When senior leaders focus on making training work—and get personally involved—improvement can come rapidly. The content of the training itself is not the biggest issue, though many companies could certainly improve it (see sidebar, "Getting training content right"). The most significant improvements lie in rethinking the mind-sets that employees and their leaders bring to training, as well as the environment they come back to afterward. These are tasks only senior leaders can take on.

Before training begins

1. Help people want to learn

Adults learn in predictable steps. Before employees can master a new skill effectively, for example, they must be convinced it will help improve their organization's performance, recognize that their own performance is weak in that area, and then actually *choose* to learn.[3] Yet most corporate training programs overlook these prerequisites and just assume that employees "get it." This approach is a big mistake because it allows normal patterns of skepticism to become barriers to learning. The results are familiar to anyone who has attended a corporate training event. Instead of approaching training as active learners, many employees behave as if they were prisoners ("I'm here because I have to be"), vacationers ("I don't mind being here—it's a nice break from doing real work"), or professors ("Everybody else is here to learn; I can just share my wisdom").

To avert these outcomes, companies must help employees to internalize the need for change and to develop the desire to gain the skills that will bring progress. The best method is to include trainees or their peers in determining what changes need to be made and why, thereby creating credible ambassadors for the effort. If this isn't possible, a

[1]Bersin & Associates, figure for global spending, 2008.

[2]See "Building organizational capabilities: McKinsey Global Survey results," mckinseyquarterly.com, March 2010.

[3]See Malcolm S. Knowles, Elwood F. Holton III, and Richard A. Swanson, *The Adult Learner: The Definitive Classic in Adult Education and Human Resource Development*, sixth edition, London: Elsevier, 2005.

similar purpose is served by beginning a training program with an analysis of the existing performance problems of the individuals or business units involved and of how the new skills will address these problems.

Consider the case of a retailer that knew its customer service and selling skills were relatively poor. In response, the company formed teams of district managers, customer service representatives, and sales-people to help it understand its current skill levels and to plan improvements. To observe good customer service, the teams visited high-performing organizations, such as the Ritz-Carlton. The teams also conducted mystery-shopping exercises, in which they did not reveal their corporate affiliations, at the stores of competitors, where they received mixed service at best, suggesting that service improve-ments could become a real competitive advantage. Teams also conducted exit surveys of the retailer's own customers to correlate the quality of their experience with how much they purchased and whether or not they intended to return to the store. And the teams observed hundreds of their colleagues in action—enough to believe that the company was not delivering a great customer experience and that change was necessary.

To improve customer service and selling, the teams then designed new processes and tools, including guidelines that helped salespeople translate product features into benefits that shoppers could relate to. Next, they began piloting the improvements at a few stores. The results were impressive—a double-digit leap in conversion rates and rising sales in important product categories. Better yet, after showcasing the results at a meeting of the company's retail managers and establishing the program's credibility, the teams found the managers clamoring for the chance to have training start at their stores.

2. Uncover harmful mind-sets

Even when employees *do* learn what they're taught, they very often don't apply it. If this happens, the training will be wasted—no matter how good it is. Preexisting mind-sets are one frequent cause of this problem. Companies should therefore ferret out problematic mind-sets with the same rigor they put into diagnosing skill gaps.

For instance, a big-box retailer had been trying to increase its focus on customers for more than two years. It invested millions of dollars in teaching a five-step selling process, monitoring customer feedback, and rolling out e-learning programs to improve its employees' knowledge of the products it sold. Salespeople passed every certification test they were given yet still didn't use the new skills on the floor. Customer feedback and store performance remained lackluster.

To figure out why, the company conducted a mix of employee interviews, focus groups, and surveys. Two troubling mind-sets emerged. First, salespeople fundamentally believed that the behavior of shoppers had shifted, so that they now primarily browsed in stores and made most purchases online. Thus, employees associated attending to shoppers with a

Getting training content right

Companies can sharpen the content of their training programs by applying a little common sense and attention to well-known practices in areas such as adult learning. Yet we find that these practices are often so obvious that executives don't bother to revisit them or measure performance against them, thus allowing training programs to drift away from best practice without anyone even realizing it. In our experience, five straightforward tips can help:

- Many training programs frame their definition of success in terms of "things we want people to know" rather than "behavior we want to see." Consciously focusing on the latter objective helps planners to choose more appropriate content *and* to measure success afterward.

- Focusing solely on functional skills (for instance, selling techniques, customer segmentation, or total-cost-of-ownership analyses) is a mistake. While vital, these "hard" skills often require "soft" ones (such as general leadership, change management, or communication) to make changes stick. Best-practice training programs interweave these soft skills seamlessly.

- Adults learn best when applying newly acquired skills to solve real problems. Yet training programs rely heavily on lectures, role playing, and "war stories." At best, these methods raise the participants' awareness of important concepts, but they typically fail to transfer any actual skills. Active learning is the answer: great training programs encourage participants to practice new skills in the context of real-life situations or include projects that can noticeably improve an organization's results as learners build their skills.

- It's difficult to create a meaningful learning experience for every trainee, given the frequent diversity of backgrounds, experience, and knowledge. Many companies deal with this problem by developing role- and tenure-specific programs, but even these can miss the mark because of individual strengths and weaknesses. What's more, many programs use precious in-person training time to impart basic knowledge that is often far too rudimentary for many participants. "Mass customization," which in this context often means using technology to help learners customize the focus and level of their lessons, but can also include tactics such as allowing individuals to choose different levels of training or giving them input into designing their training, allows employees to learn the basics online, ensures that groups have a level playing field for in-person training, and enables organizations to focus in-person training on the most important skills to drive business performance.

- The most obvious skill gaps often occur in pockets of organizations, and companies rightly focus training

energies on them. But don't overlook how training will affect employees *elsewhere* in a company. For instance, consider one that wants to improve its ability to conduct total-cost-of-ownership analyses and so trains its purchasing department in those skills. After beginning to use them, the purchasers may very quickly face resistance from colleagues in other departments affected by their decisions (say, a switch from one supplier to another), if colleagues don't understand why the purchasers are working differently or how to accommodate the changes.

To help ameliorate such problems, selected employees in the adjacent departments must be retrained in complementary skills. In a purchasing program, this might mean teaching product developers and people who find supplies for new products how to interpret total-cost-of-ownership analyses so they can set specifications that fit the new procurement strategy. Changes can go as far as altering the development of new products or launching processes to fit the new procurement system. Such a holistic approach helps to set the right expectations and to align employees collectively with the new behavior.

low payoff. Second, salespeople clung to age, gender, and racial stereotypes about which customers would make purchases—and tended to ignore the others. An examination of shopper survey, purchase, and conversion data proved both mind-sets false.

The company relaunched its training efforts, now grounded in an open discussion of these two mind-sets, using facts to dispel the myths and to build new enthusiasm for customer service. Salespeople began to apply the methods they'd already learned, which quickly drove a 150-basis-point improvement in conversion rates at the pilot stores and a 20 percent improvement in their net income.

3. Get the leaders on board
To ensure that the lessons stick when training ends, companies must have meaningful support from the relevant leaders beforehand. This point sounds obvious, but we've seen many training programs stall when leaders agree with program goals in principle yet fail to reflect them in their own behavior, thereby signaling to employees that change isn't necessary.

For example, one industrial company noted a need to upgrade the skills of its marketing department. The HR staff launched a well-conceived program—based on a clear definition of the new skills good marketers must have—that included a curriculum developed by a leading university. In parallel, the company hired several employees who had the skills it was trying to foster and who would, presumably, help their colleagues develop them. After sending marketing staffers through the program, however, senior executives still expressed frustration with the department's capabilities. Worse, many marketers appeared to be spending time on things that weren't really marketing, such as resolving customer service breakdowns.

A closer examination revealed that the new marketing skills hadn't taken root, because the company hadn't trained the department's leaders, who lacked the necessary skills and could not be effective role models. Further, the leaders were not prepared to change the way they ran meetings, made decisions about branding or advertising programs, conducted performance dialogues, or coached others on marketing skills. Consequently, employees perceived that their bosses weren't particularly interested in having them apply the new skills and that they should continue to spend a significant amount of time on old activities, such as resolving customer crises.

Outcomes are much better when business leaders participate in the design and delivery of training programs and connect them to the new ways of working. For example, one consumer goods company hoping to bolster its marketing skills began by including senior managers from a range of functions in a detailed discussion about what marketing skills were needed. Marketing leaders then restructured the relevant processes—for instance, those related to generating customer insights—to leverage the program's content explicitly. To drive home the importance of implementing the new skills, company leaders went through the training first; many taught subsequent courses and also served as role models to reinforce the new behavior afterward. The program as a whole improved business performance tremendously, helping the company to shift from declining or flat unit volumes to double-digit volume growth and from stagnant net sales and operating-margin growth to a robust compound annual growth rate (CAGR) of 9 percent.

Back in the workplace

4. Reinforce the new skills

Participants rarely leave any training program entirely prepared to put new skills into practice. Old habits die hard, after all, so reinforcing and supporting new kinds of behavior after they are learned is crucial. Furthermore, companies typically expect employees to go back to work and figure out for themselves how to incorporate what they've learned into their day-to-day activities, which often take up all of their time as is.

This was a particular problem for a biotech company trying to beef up its poor performance-management skills. (Indeed, at the outset of the effort, performance management was so rudimentary that employees didn't even have job descriptions.) The company dedicated itself to improvement and trained all its managers in the necessary skills. But when those managers got back to work, they couldn't find the time to integrate performance reviews into their routines and got no help doing so. Two years later, nothing had changed, and all that the managers had learned was lost.

Contrast this experience with that of a large manufacturer also trying to improve its performance-management skills. The company had trained its frontline supervisors on coaching and on conducting better performance dialogues with line workers, and the supervisors had agreed to begin practicingthe new skills immediately. The supervisors even had laminated cards they could use as "cheat sheets" to guide the conversations.

But back on the shop floor, a multitude of distractions, fires to fight, and other mundane barriers made it easy to slip back into old habits. In fact, a check-in later during the week when the training occurred revealed that the supervisors weren't practicing *any* of the new behavior. When company executives asked why, it became clear that the supervisors hadn't made the time—in part because the coaching and feedback conversations would be difficult but also because the supervisors felt management wouldn't support their efforts. Previous training exercises, the supervisors noted, had never been accompanied by follow-up.

To show that things would be different this time, the executives insisted that the conversations take place and even shadowed the supervisors on the shop floor to help them. While this was uncomfortable for everyone involved, the supervisors soon gained confidence using the new skills and began to see results. Indeed, within just two months, productivity, reliability, and safety performance had all improved, and the plant was able to produce 25 percent more output than it had in the past.

5. Measure the impact

Measuring impact seems basic, but most companies simply don't do it. McKinsey research finds that only 50 percent of organizations even bother to keep track of participants' feedback about training programs. Worse, only 30 percent use any other kind of metric. What this means, of course, is that many companies essentially measure the effectiveness of training by asking the participants if they liked it. Besides the risk of encouraging "edutainment" over substance, the problem with this approach is that it penalizes programs that push people outside their comfort zones. What's more, it leaves HR departments and other developers of training programs flying blind about their impact. The solution, as we explain in a companion article, "Putting a value on training" (available on mckinseyquarterly.com), is to track the impact of training programs against whatever hard business metric they are meant to improve. If that's not possible, measuring leading-edge indicators, such as actual behavior change, can provide insights.

Training can go wrong in all kinds of ways. But the most important failures occur outside the classroom. By focusing on creating a receptive mind-set for training before it happens—and ensuring a supportive environment afterward—companies can dramatically improve the business impact of their training programs. ◦

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