

Q&A

How can I justify attending a training class when budgets are constrained?

My staff continually insist on attending training yet our budget is both limited and constrained. What should I do?

It is often the case staff do not have a method to present a cost justification for training. Make it easy for them to do this work for you by creating, in conjunction with your finance department, a simple worksheet that details the total estimated expense, the minimum required return on that investment, and a method for calculating and stating the benefit. Use this worksheet to hold them accountable to delivering that benefit on their return, make sure all parties sign the sheet in agreement. perhaps even link it to their personal objectives and reward program.

How can you do more with less during an economic downturn and still keep your employees loyal, and available for when the economy improves?

Losing key employees either as a result of necessary workforce reduction, or through their choice, subjects the organization to an expensive rehire cycle when circumstances improve. Maintaining a training capability, whether facilitated by internal resources, or third-parties, is a strategic necessity to ensure staff remain relevantly skilled and able to apply new techniques to improve the bottom-line.

What do I do if I know a training event is important to the success of my organization but management has imposed a spending freeze?

Do the math for your manager. All training is an investment. Make your case for attending with this in mind. The greater the pressure on finances in effect, the more detailed, tangible and realistic your case should be. Ask your manager if there is a template you can use and a finance person you can cooperate with to make your case. If there isn't one, take the initiative and build one that has is fiscally sound.

How do I calculate the expenses of attending an event, what items should I include?

Include everything you can think of. There will be very tangible costs such as travel and accommodation. The intangible, such as time away from work, should be converted to tangible with guidance from the finance organization.

How do I state benefit and what should I include?

Determining the benefit is harder than the expense. The reason is simple, many benefits seem at first to be soft or too difficult to translate into tangible monetary savings. Every effort should be made to represent the benefit in hours saved in project effort, and costs avoided, over a minimum period of one year.

How do I relate the benefits of attending a training event to my work?

It is key to relate the knowledge or skills gained from training to actual project efforts. When applied, the training should result in a reduction in the time to develop key artifacts, and the delivery of project benefits faster, or using less resources. Although training can dramatically help you avoid making similar mistakes to others, this can be a very difficult benefit to calculate and have accepted.

How do I differentiate between the training of one vendor and another?

The fact that a training provider is prepared to help you build a business case for attending, and can offer realistic guidance on the beneficial aspects, is a key differentiator. Be cautious of providers who suggest you register before they can help.

How far ahead should I continue to count the benefit stated?

One year is a reasonable period. Over time you may also be able to add an estimate of the benefit of a reduced risk of project failure, downtime avoided, and the actual results of applying an initial performance improvement.

What if I don't have access to a financial person who can help me with the minimum percent return and hourly rates?

Make some assumptions. The numbers provided on the example worksheet are reasonable. Use an average cost or saving per hour of \$100 (including all burden). The more you can translate your costs and benefits into hours of effort, the more reasonable and acceptable your case is likely to be.

What should I do first when I return from a training event to reinforce its value and supposed benefit?

A significant but generally intangible benefit is the distribution of knowledge and techniques gained from training to other staff and team members. Another highly visible deliverable is a report or detailed statement of what was covered and how it relates to an existing project, initiative or organizational objective.