

# Best of Class



## How Top Corporations Build Successful Education Programs

### Overview

The following profile will allow you to gain insight into how organizations run successful corporate education programs.

The most successful corporate education programs go beyond merely training or offering education as a benefit to employees. Here are some successful practices that define “Best of Class” firms.

### *They Know Why and When to Train*

According to corporate labor statistics, employees now represent 70% of a typical company’s asset base. “Best of Class” firms know education and development is a top 3 employee benefit. These employers also know that the cost of pleasing high performing people is a great deal less than the cost of replacing them.

Because of this, top firms use education strategically as an investment to build, and retain, professionals who they view as key organizational resources. By providing training, these companies act upon the realization that people are their businesses’ most important assets.

Here is a list of top indicators that “Best of Class” firms use to determine when to train. The right time to train is based upon the following:

- 38% - Internal Assessment of Need**
- 31% - New Business Initiative, Process Change, Purchase of Technology**
- 22% - Employee Requests Education**
- 9% - Availability of Workshop or Event**

Source: “Best of Class” Survey

### *They Know How to Build Education into Business Objectives*

Successful firms search for education that has the highest probability of knowledge transfer or skill attainment.

With this in mind, they know how important it is to assess the need for training and build education into new business initiatives, process changes and technology purchases. These are clear examples where the professional’s desire and company’s need for training intersect. Whenever this happens they know how to take advantage of it by placing education as a line item in the plan or acquisition budget.

When these events occur excitement and motivation to learn are high, and the need for and application of training is immediate. Building education into business objectives helps these companies make continuous improvements and progress. This results in less time to market, shorter time to competency and it leads to higher profits.

### *They Know the Importance of Motivation, Relevance and Selectivity in Training*

Top firms are led by smart investment. They’re selective, balanced and they choose relevant training.

“Best of Class” companies face the fact that certain types of training and education directed at individual learners are more beneficial than others.

As such, many successful firms won’t pay for just any type of training. They look for relevant training first and seek out different types of training that are most beneficial to learners and their firms.

Over 20% of top companies in our studies invest training dollars first in motivated

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employees who've expressed a need for training, making certain the individual needs are balanced with business objectives.

That's because payback is often greater among active learners. Because these learners select themselves, they find useful or interesting education topics and, because they're motivated to learn, the training sticks.

## ***They Look for Ways to Continue to Use, Apply and Reinforce Education***

Most corporate education programs fail when they are not continuously reinforced. "Best of Class" firms know that the biggest opportunity in corporate training is usage and application of learning to an organization's, team's or individual worker's performance goals.

Successful corporations have found the best way to achieve this is by having a training continuity strategy and approach to learning. As these firms continue placing more value than ever on training results and outcomes, the process of learning goes well beyond the actual training intervention or degree certification program.

## ***They Know How to Apply Time-Tested Learning Techniques***

"Best of Class" firms:

- Find instruction that teaches to the most, if not all, of a student's senses. While some 90% of successful companies still use classroom delivery, 54% now consistently implement e-learning as a type of instructional media.
- Attempt to match the course subject with how it's delivered.
- Search for a learning experience that will be remembered and know that information is remembered best if it is interesting, useful and can be applied immediately.
- Know that new information is easier to remember if it can be linked to something already stored in a student's memory.

And while they know that distributed education consistently implemented over time is the most effective way to learn, they also understand given the rate of change and nature of competition that short-term training is inevitable. For these top companies, short-term training is:

- Better suited to technology updates.
- Best for purposes of continuing education.
- More attractive for those who have experience or an existing base of skills to build upon.

## ***They Identify and Work to Remove Barriers to Learning***

Top firms acknowledge that barriers to education exist, which complicate and frustrate the desire to learn. By working to overcome them, they clear the path to greater learning and more productivity.

The most frequently cited barriers to learning are:

- Insufficient education planning.
- A lack of accurate information when faced with too many learning and delivery options.
- Forced learning without intrinsic interest, need, motivation or application.
- Insufficient money and ability to finance the cost of education.
- Fear, intimidation and lack of confidence.
- Too many outside commitments, and responsibilities, that cause stress and concern.
- Not making enough time for learning.
- Work and home scheduling conflicts.
- Lack of suitable or provisional childcare.
- Logistics and transportation challenges.
- Administration (i.e., applying, setting up and scheduling activities, etc.)

## ***They Know the Importance of Planning***

A lack of planning is the often mentioned by "Best of Class" firms as to why both time and money are wasted on education.

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Successful companies understand the importance of building a development plan for the company and learning objectives for the professional.

Along with integrating education into business objectives and work situations, top corporations carry education development goals over to the level of performance reviews and employee evaluations. Some companies go as far as basing certain levels of compensation upon learning objectives that are met during the year.

## ***They Know How To Measure Whether Training Has Paid Off***

Although, “Best of Class” companies consider education an investment rather than an expense, these firms don’t see the world through rose-colored lenses. They subject education to the same return scrutiny as other investments that compete for internal funding.

Here’s how successful companies measure training effectiveness:

**59% - Via Post-Training Reaction or Feedback**

**52% - From Assessment of Learning or Behavior Change**

**6% - By Determining Business Impact**

Source: ASTD’s Annual State of the Industry Report  
(Not adjusted for multiple responses)

Overall, this year relative to last year, 21.4% more companies are now attempting to measure some level of ROI. Level 3 ROI, which measures behavior change under the four-level ROI model developed of Donald Kirkpatrick, showed an 88% percent increase among buying organizations.

The majority, some 60% of companies, focus on reaction from learners and qualitative feedback.

As successful corporate education programs place more value than ever on results, actively measuring ROI of learning will continue to be important.

## ***They Know How to Protect Their Education Investments***

The most common form of educational benefit offered to employees is tuition reimbursement. Close to 70% of adult learners now in college degree programs currently receive these benefits. Top companies will generally reimburse part of, or all, the tuition costs of an employee who successfully completes a course or full program of study at a college or university.

Some companies reimburse proportionately, depending upon the grade a student receives, and will use the amount of reimbursement as an incentive, sometimes paying more for a higher grade.

Most successful firms know that workers consider training to be a top three-employee benefit. So to retain employees, and thereby protect their training investment, they set up training terms inside of employment contracts whenever they feel it’s necessary.

“Best of Class” companies require that development programs are job-or-career related. With educational benefits going to employees in certain jobs or to those who have worked with the company for a specific length of time. Many companies will pay more if the program maps to required job skills, future leadership needs or objectives of the business.

## **Conclusion**

This completes the “Best of Class” case study.

Additional resources to help successfully build your corporate education programs, including *Art & Science of ROI in Online Education*, are available at [www.onlineuc.net](http://www.onlineuc.net)

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## Sources

Results for this profile were compiled from the following sources:

1. **Training Essentials** – a seven year longitudinal study of best practices in corporate training and development.
2. **ROI Consortium of Enterprise Learning** whose goal is to help companies show return from development of their people.
3. **Training Magazine's** 21<sup>st</sup> Annual Industry Report
4. **ASTD's** Training for the Next Economy & Annual State of the Industry Report
5. **College Planning Network** - Back 2 School: A Guide for Adult Learners
6. **American Demographics** – What Workers Want