

Does EMPLOYEE TRAINING lead to ATTRITION?

We share how companies can protect their training investment.



In response to recommendations to begin training their staff, a managing director's response was straightforward: "I have no intention of training people for my competition. The last time I trained my staff, they all left and joined competitors." One of my colleagues tried to persuade him by recalling a popular quote, "If you think training is expensive, try ignorance." He replied, "That is okay. I will recruit trained people from my competitors. I have no time for training. I want them to be work-ready when I hire them."

This discussion left me worried. There was not much I could do at that time to influence the business owner. I still remember running to a government official and detailing the discussion. The official's response left me even more worried: "We are not worried about the turnover as long as trained employees do not leave the country. We focus only on the macroeconomics – the availability of trained people within the country. Microeconomic issues such as employee turnover in organisations do not worry us."

Nevertheless, in some areas and industries, despite agreements that discourage the pinching of staff from one another, the problem of attrition is serious. The refusal of organisations to invest in employee training due to attrition is far more serious. Continual investment in human capital is a major accelerator of economic growth. We must influence employers to continue investing in training despite the risk of losing their training investments in terms of time and money.

THE WORLD IS FLAT

Thomas Friedman, in his groundbreaking book *The World Is Flat*, argues that the world is indeed flat. In the book, Nandan Nilekani of Infosys says, "The playing field is being leveled," and globalisation is the leveler. Initially, globalisation was about countries globalising. Then companies began globalising, and now globalisation

is about individuals globalising, collaborating, and competing globally. The flat world is the product of the convergence of the personal computer, which has allowed individuals to become authors in their own right, able to publish their content in digital form and transmit it across a world linked through fibre-optic cable. Accessibility has become easy and cheap.

As the owner of a technology company involved in producing human resource development software, I have had an experience similar to that of the managing director I quoted at the start of this article. Two years ago, we were importing talent from abroad to manage the issue

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of employee attrition. The commonly held notion that people employed on work permits will stay through the stipulated contract period convinced me to hire foreign talent. I did not get anyone to sign bonds because I believed in the process of signing on people psychologically rather than legally.

Within months of their training, however, many of my new employees were able to connect with employers from all over the world. A year later, I lost most of the team that we had built from scratch. In the span of just 12 months, my novices had become well-trained knowledge workers who were ready to work for other employers. I am sure this same situation is in play with larger corporations as well. Financial institutions that are employers of choice find that they train employees, who then leave for another employer of choice, often doubling their salary in the process.

Can a good initiative such as training hurt? From a narrow perspective, it

certainly seems so. Organisations sponsor their employees for expensive training programmes and MBAs in the hope that such measures will improve retention. They invest in expensive quality training certifications in the hope of improving quality. And certainly they do improve the quality, but often for another organisation. CEOs complain that the employees whom they have trained leave for more attractive jobs and grumble that it is not fair.

Is the experience that the managing director and I have had applicable globally? Does training lead to attrition? I cannot imagine agreeing to the contention that training leads to employee attrition, particularly when I have spent a major part of my life helping people learn and perform. But still, what are we as Human Performance Technology (HPT) professionals going to do about the situation and the reality that surrounds employee attrition due to training?

If we believe that the world is flat, then we have to accept that employee attrition stems from a variety of factors. As Friedman points out, this wave of globalisation is characterised by individual actions. Hence, there is a need to engage the individual.

PROTECT YOUR INVESTMENT

I have identified 10 issues (see box) that look at employee attrition from a broad perspective. In my view, dealing with these issues will enable organisations to address employee attrition, assuming, of course, that we are reasonably competitive on the rewards front.

These issues show that training does not necessarily lead to employee attrition when it is implemented well. When it is done solely for the sake of training, however, it contributes to employee attrition because there is no plan to optimise this organisational investment.

To protect the training investment, HPT professionals should work out a comprehensive plan to link learning to



career progress. The plan starts with the selection and recruitment of employees and ensures that training is a process, not an event. Engagement of the employees by line managers and a competency-based learning culture go a long way to strengthen employee retention.

10 ISSUES THAT HEIGHTEN ATTRITION

Training is most likely to lead to unexpected consequences such as attrition if we are not conscious of these 10 issues:

1. Inadequate competency fit or job-person match

An organisation's selection process should ensure that people are chosen for a job based on their fit with competencies required by the job. When placements are made just to fill a vacancy, regardless of whether there is a competency match, turnover is certain. Sometimes individuals may seem qualified yet turn out to be unsuited for the job. When employees leave after being hired and trained, the attrition cannot be attributed to training. It points to a critical need for competency-based selection.

2. Lack of retention risk analysis

Larry Bossidy and Ram Charan, in *The Discipline Of Getting Things Done*, point out the need for a retention risk analysis. It is not enough for a job applicant to

demonstrate a perfect competency fit for the position. The person may be suitable for the organisation, but there is a need to evaluate whether the organisation is suitable for the person.

Recently I interviewed a young woman and thought the job fit was right, but I had overlooked a high turnover profile on her resumé. My colleagues did a retention risk analysis and concluded we were not ready for her and recommended against offering her the job. However, I liked her and made her an offer.

It turned out my colleagues were right, she resigned shortly after completing expensive training. Training her was not the issue, it was the inadequate retention risk analysis. It is worthwhile to ask if a potential employee is looking for a job or a career.

3. Absence of policies and procedures

We say much about empowering people and cultivating their passion for the job, but such initiatives and qualities cannot succeed without supporting policies and procedures. For example, the IT industry has been hit by record attrition rates, with expensive investments in employees going to waste because employees left soon after being trained. Most IT organisations now have clear contracts, policies and procedures to prevent employees from leaving immediately

after training. Such preventive actions help to minimise employee attrition.

4. Training viewed as an event, not a process

Training is not a one-time event, it is a process. Whether it is on-site classroom training or blended learning, there is a need for something to happen before and after training, and we need to engage the employee throughout the process.

Training by itself should employ the formula that I often advocate to engage people: Fun x Content = Results. Sending people to courses and clocking in the training hours in an events-based approach is likely to put the entire training investment at risk. Pre-training briefing and post-training obstacle analysis must be carried out to ensure the relevance of training for employees, an area where line management involvement is indispensable.

5. Lack of line management involvement

Training is a vehicle for learning as well as change. It opens minds. People become more capable through training, assuming that the training was effective. When the trainer and training are effective, those trained feel more confident due to their new knowledge and skills. The training adds value to the individual and boosts the individual's self-esteem.

For training to add value to the organisation, line managers must be part of the process to develop employees by engaging in regular performance-development discussions. When discussions on how the learning will enable employees to do their jobs better and further their careers take place prior to training, employees are more motivated and engaged with the organisation. Post-training discussions allow employees to gauge management support for implementation of the learning, which will help retention.

In a nutshell, employees must be readied for learning, and there must be post-training follow-up sessions. A 30-, 60- and 90-day

follow-up schedule is recommended. If employees are left to fend for themselves after training, the organisation will lose out on enjoying the benefits of such training. Employees leave for better opportunities to do what they are capable of doing.

6. Inadequate needs analysis

In *What Every Manager Should Know About Training* author Robert Mager points out that training works only when a person needs to do something and is unable to do it, and this inability stems from a lack of knowledge and skills. Without these two conditions, training will be ineffective. Hence, it is necessary for HPT professionals to analyse performance gaps and isolate the gaps that are due to a lack of knowledge and skills.

Needs analysis should be competency driven and involve line managers. Line managers have to be part of the training or performance intervention for them to engage employees. We also need to make employees aware of the need for learning, and only line managers can do that effectively. Such an approach is engaging and meaningful to employees. Without a needs analysis, training is likely to result in employees who are just going through the motions rather

than learning. In such situations, the organisation will be unable to reap the benefits of its investment in training.

7. Ad hoc training

Ad hoc training can be far more damaging than no training at all. The lack of an individual development plan can lead to expensive training that provides no results. Executional excellence requires

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people readiness and alignment to the business. A few training programmes that are well designed and implemented are far more effective than a laundry list of expensive programmes. Annual training plans based on a competency perspective and systematic development plans minimise ad hoc training and elicit employee buy-in.

8. Inadequate evaluation of training

In his book *Evaluating Training Programs: The Four Levels*, Don Kirkpatrick highlights a four-level evaluation framework: Reaction, learning, behaviour and results. We want learners to be happy with their training and also learn, but more importantly, apply what they have learnt to achieve the desired results. The goal is to ensure that the learning makes a difference to the employee in that he or she finds the job easier than before

training and the organisation gains from better performance, making them more committed to the organisation.

9. Poor record keeping

I have been surprised by the lack of automation of training records in this high-tech era. Absence of data hinders management decision making. Metrics such as the number of training hours, competency fit, skills gaps, performance records, training programmes, attendance data, and training and non-training expenditures are critical. Discussions between the employee and the line manager should focus on the organisational commitment to invest in

training the employee and the need for returns on this investment. Employees see continuous feedback, regular coaching and discussions based on quantitative data as proactive actions rather than just fuzzy information.

10. Lack of a learning culture

A positive and proactive learning culture leads to employee buy-in. Employees in such organisations are not tempted to move on when they feel they are growing. Training programmes and learning on the job are critical to retain employees. Work has to be meaningful. In a learning culture, people are always learning something and have the opportunity to implement their new skills. When employees do not see the potential for learning or growth, they generally make every effort to learn and grow even if it means moving on. ■



ABOUT THE WRITER

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