

Developing your Workforce to beat the Competition

An EBS Management Guide

Barry Rees, EBS Director of Human Resources Services, highlights some of the steps that you can take to make some strategic decisions on developing your workforce – decisions that will help you meet competitors head on and take your business forward – and will also motivate your employees to deliver even more for you.

How do you currently make decisions on the development spend for your employees?

- Wait for them to request something
- Give them development to 'correct' a weakness identified in their appraisal, or
- just assume they will pick it up as they go

If you were investing in new plant or equipment you are likely to want to have some idea of the business reason behind the change – and how soon you will get a return on your investment. All too often we think of training and development as a cost – with no real return. By thinking of development activities as an investment, you can use some of the same decision processes when you decide who gets to do what, and how much you are prepared to spend.

So how can you decide what development to offer your employees – in a way that will enable you to stay ahead of the competitors, retain quality staff and see a return on your investment?

Unless you are clear what skills or attributes you are trying to develop, you are unlikely to be satisfied with the outcome of any training or development activity.

The reality for most business is that development activity falls into one of three categories:

- Company-Wide requirements

These are the skills, attributes and knowledge that you would expect everyone in your organisation to have or know. Some of these will relate to your business and the market you operate in – such as products and services knowledge, or industry compliance requirements. Others will be to cover your statutory obligations, like Health and Safety training.

These are often strategic requirements – and where you can get a real advantage over your competitors – such as when you focus on emerging industry skills requirements, such as changing technology or industry standards

- Departmental / Functional requirements

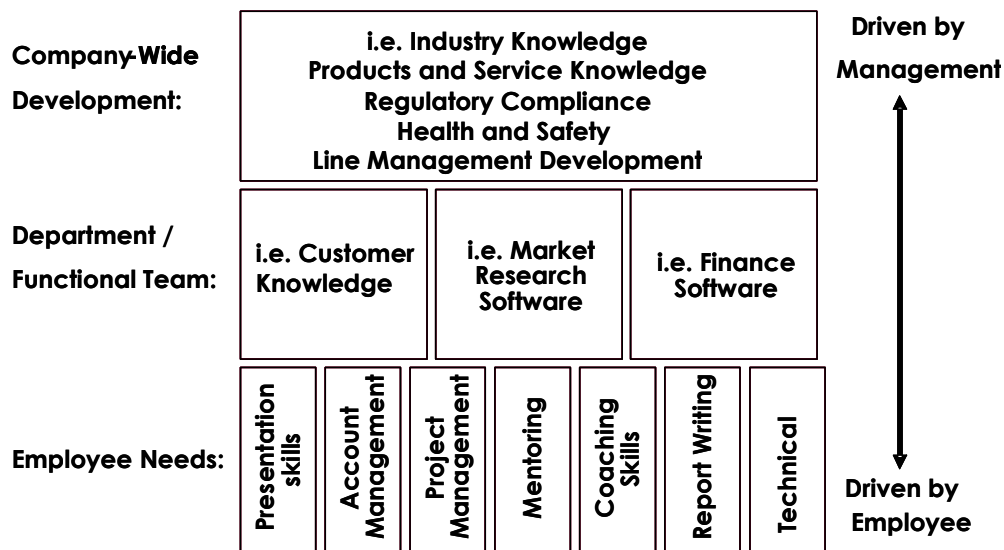
These are the skills, attributes and knowledge that relate to the part of the business an employee works in – so you would want to ensure your sales people can sell, and your finance people can do the accounts etc. Some of these requirements may be to learn a particular piece of software, or understand a particular process.

Often the company-wide requirements can flow down into departmental / functional requirements.

- Individual employee requirements

Finally you have the individual employee requirements. These may be similar to the functional requirements, but they also start to be influenced by the individual's own aspirations – where do they see their career going?

The following diagram shows how these three sets of requirements fit together:



Typically the Company-Wide requirements have to be driven by the Management Team, whilst the employee needs are driven by the employees – who are focused on THEIR requirements and not necessarily the company's.

All too often it is the individual or functional requirements where any development activity is focussed, and while these may address today's operational issues, they can do so at the expense of the strategic requirements that are essential in staying one step ahead of the competition.

Of course, you shouldn't focus on one at the expense of the other – you need to decide the balance that is right for your business, your industry and your people.

Starting at the Beginning

If you really want to get the balance between strategic and operational development activities, you need to go back to basics, and review your Business Plan. Your Business Plan is your route map to where you want to take your business, and the seeds to any strategic development activity will be embedded in your plan.

If we look at an example:

Lets assume one of your business plan goals is to get your products or services into a new segment of the market, and account for 20% of turnover within three years.

Before this appeared in your business plan it is likely that you would have done some research to ascertain the appropriate market segment to attack, and identified a need from this segment for your products and services. You will have a strategy of how you will pitch your products into this segment – and how your offering will compare to competitors, and how easy would it be for them to replicate your offering etc. (and if you find it tough to turn your Business Plan into real action then visit <http://www.ebs-hr.co.uk> and go to 'Level 5' to see how EBS could help).

Each element of your business plan can then be deconstructed for potential development activities. If we stick to our example above:

- What segment are we going into – and does any of the current sales force have expertise in that segment? If not how do we get the skills?
- Do we have to cover a wider geographical area – and what does that mean for productivity? Can technology help (hand-held computers, Blackberry's etc)?
- Do we need to change our e-commerce offering in any way – and who will do this?
- Are there regulatory issues to be concerned with, whether industry regulatory compliance issues or just fair trading practices?
- Will we need new staff? If so what skills and how do we integrate them into our existing team?
- What changes to products and services do we need to undertake – and who do we need to communicate those to – sales, customer services, existing customers, accounts teams etc.
- Do we need new brochures / price lists etc
- What is our contingency plan if it goes wrong – who will deal with the media etc

As you define answers to these and the other questions you will ask yourself, you are helping to undertake a Development Needs Analysis that will identify the key development activities that you should consider if you wish this venture to succeed.

Prioritising your Resources

Having worked through your Business Plan you may well have come up with so many development actions that you know you will be unable to deliver them all and do the day job.

Now is the time to prioritise your resources. Resources in this context means money, people and time. You will want to set a budget for development – although for a new product launch or attacking a new segment the training and development budget should be part of the overall project budget. How much can you afford to spend?

How many people are going to be impacted by the changes – and is the requirement to take on board new information (such as changes to products and services) or learn new skills (such as a new piece of software)? If the change impacts just a small group of people, the training and development interventions may be easier to manage than if it is a whole department, or the whole company.

Finally, you have to consider the time elements – both the amount of time to actually take on board the learning, as well as time out of the day job (which will also dictate how many people can be trained at one time).

In an extreme situation you may even decide that you cannot afford to launch the initiative you were planning to, because this review has shown you will struggle to deliver a quality product to your new customers – and may take your eye off the ball with your existing customer base (as some commentators believe happened to Carphone Warehouse and their 'free broadband' offering).

It is much better to delay a launch and get it right, than to struggle for months playing catch up!

Providing the Development

What ever requirements you settle on, you also have to decide the most effective way of providing the development intervention.

The Chartered Institute of Personnel and Development (CIPD) have categorised such development interventions into the following four types:

- **Work-Related**

Whether employees take on a new role, work with a new client, work with different colleagues, or are just keeping up to date with developments in the industry, it is almost impossible for them not to learn something new every day. Often such learning happens by a process of osmosis – where they are not even conscious that they have learnt anything.

However, work related development can be formalized by the simple process of discussing with the individual what learning opportunities there are in, for example, working in a new market segment. By getting them to reflect on such learning you are helping the employee to remember it, so that it can be utilized more readily in the future.

- **Formal Courses / Seminars**

To many people, development equals a training course, and such formal courses or seminars do have a valuable place in a well balanced development plan.

Formal courses are particularly useful when you wish to develop a number of people in the same skill area.

For many initiatives such as a new product launch you would want to have the development 'in-house' – even if you work with external providers to deliver the development programme.

Seminars can be particularly useful for getting up to date information in a fast moving industry.

- Self-Directed Learning

Self-directed learning covers a whole range of activities, including reading books and trade publications, searching for information on the internet, or even just reflecting on another activity to specifically understand what has been learnt.

Self-directed learning can be very useful at keeping abreast of changes in the wider industry context that may affect an individual's own role. Internet newsletters, from quality sites, may be useful here.

- Outside Work Activities

The final type of activities is under the heading of 'outside work activities' and may not apply to all employees.

Where an employee does something in their spare time, such as be a School Governor, or Secretary of a local sports club etc, they may learn things doing those activities that can be utilised in the workplace. As an example, a School Governor may need to interview teachers for a new post, so learns interviewing techniques that can be utilised at work.

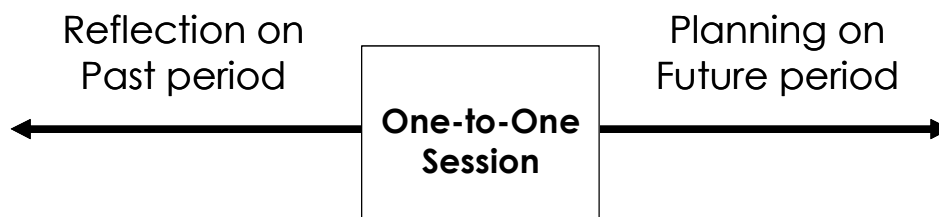
Some organisations now actively promote their employees getting involved in community or charity activities – with some allowing a number of paid days leave to undertake such works. Such activity can have a dual purpose of developing the employee and helping the Company with its social responsibility activities in the local community.

Individuals tend to gravitate to one type of activity as their preferred style of development, however, a mix of development activity types can be advantageous in providing a better balance of experiences to learn from, and so you need to consider how many of the above styles you might need to utilise to deliver your strategic development.

Competitive Advantage

By making strategic decisions about the development of your employees you not only make them feel better towards the company, which helps retain key talent in the organisation, it also can prepare them to focus on the key deliverables in your business plan – and that has to be good for your business.

You can make a small amount of development go a long way, by getting your employees to reflect on the development they have already received, or are about to attend. This works particularly well for the work-related, self directed and outside work activities – which often people don't categorise as 'development'. This can be carried out as part of a regular one to one session between the individual and their manager, or during project review meetings:



The following table has some questions that employees can consider as they prepare for their one-to-one meeting. It covers activities from both a formal Personal Development Plan and informal activities – the unplanned work related activities, as well as considers how they might share any learning with colleagues:

Reflection on Past Period		Planning on Future Period
Review any activity you have undertaken from your Formal PDP: <ul style="list-style-type: none"> • What did you learn? • How have you used this since the activity? • How might you use it in the future? • Has it highlighted other learning opportunities? 	Formal PDP	Consider any activity from your Formal PDP that you have planned to carry out in the next period: <ul style="list-style-type: none"> • What is your objective in doing this activity? • What do you expect to learn from it? • What benefit do you expect from undertaking this activity?
Consider what other learning experiences you have undertaken in the past period: <ul style="list-style-type: none"> • What did you do? • What did you learn? • How have you used this? • How might you use it in the future? • Has it highlighted other learning opportunities? 	Informal PDP	Consider your known work activity for the coming period: <ul style="list-style-type: none"> • What opportunities are there to learn something new? • Are there any additional resources required to enable you to get the most out of such an opportunity?
Consider how you might share your learning experiences: <ul style="list-style-type: none"> • Sending out an e-mail? • Hosting a 'learning lunch' session? • Proposing changes to policies or procedures? 	Organisational Learning	Agree and communicate your 'sharing' objective – and do it!

Next Steps

If you have found anything of use in this guide for your organisation, decide what you will do about it – and put some time in your diary to start work on it! The longer you leave it the more competitive advantage is slipping away.

This is a massive area for businesses and this guide has only scratched the surface. If you would like to follow up on anything in this guide, please contact Barry Rees on 07860 222237, or email him at: barry.rees@ebs-hr.co.uk.