Strategic Training

Strategic training initiatives are learning-related actions that a company should take to help itself achieve its business strategy. The initiatives are based on the business environment, an understanding of the company's goals and resources, and the insights regarding potential training options. There is a tendency for a disconnect between strategy and execution.

Strategic training initiatives provide a roadmap to guide specific training activities and articulate how the training function will help the company reach its goals. Common strategic initiatives include:

- Diversify the learning portfolio—provide more training than traditional programs.
- Expand who are trained—provide more training to more groups of employees.
- Accelerate the pace of learning—provide more just-in-time training.
- Improve customer service—training should place a greater emphasis on service competencies.
- Provide development opportunities and communicate with employees—ensure employees recognize they have opportunities to learn and grow.
- Capture and share knowledge—capture and share knowledge to ensure it is not lost if key employees leave.
- Align training with the company’s direction—link training to strategy.
- Ensure that the work environment supports learning and transfer of training—ensure there exists a positive learning climate for training.

The next step in the process is to determine the activities that align with the strategic initiatives. Activities will vary based on the initiatives that were developed.

Lastly, strategic training process helps determine if training investments were successful in helping an organization achieve its goals and objectives. The business-related outcomes examined should be directly linked to the business strategy and goals.

Some companies use the balanced scorecard as a process to evaluate all aspects of the business. The balanced scorecard considers four different perspectives:

- Customer (time, quality, performance, service, and cost)
- Internal business processes (processes that influence customer satisfaction)
- Innovation and learning (operating efficiency, employee satisfaction, and continuous improvement)
- Finance (profitability, growth, and shareholder value)

Benefits of Balanced Scorecard
The balanced scorecard provides an avenue to performance measurement that delivers managers the opportunity to review the overall company performance and/or performances of specific departments, like training from an objective standpoint of internal and external customers, employees, and shareholders.

Given below is an example of items that could be included on a manufacturing balanced score card. Please note the items are specific, measurable, attainable, realistic, and timely (SMART). The SMART descriptors are a tool to ensure that each training objective is recognized and can be evaluated using metrics. The numbers relate to annual budgetary goals as stipulated by the strategic planning process.

	Objective	**Metrics**	**Target**	**Results**	**Responsibility**
Market	Increase market share	Increase market share by 2%	By the end of the fiscal year	Increase level of primary supplier by 10%	Vice President (Marketing)
Production	Increase productivity	Increase productivity by 1.5%	By the end of the fiscal year	Remove the lowest 5% of least profitable products	Vice President (Manufacturing)
Profit	Elevate the net profit	Increase net profit by 2%	By the end of the fiscal year	Increase to be demonstrated in the annual report	Chief Operating Officer (COO)

We must also be cognizant of the advantages and disadvantages of a balanced score card.

Advantages	**Disadvantages**
A clear picture is presented to demonstrate the inherent relations among the various entities striving for organizational improvement.	Creating a balance sheet could be expensive and time consuming.
The items in the balance sheet highlight the company performance.	Creating a balance sheet requires extensive data mining.
The balance sheet highlights the strategic goals and makes them SMART.	Objectives defined in the balance sheet may have poor support from the employees.

Additional Materials

From your course textbook, *Employee Training and Development*, read the following chapters:

- Introduction to Employee Training and Development
- Strategic Training

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