



## Education is Permanent – Recessions are Temporary

*Companies with above-average training investments posted a cumulative five-year return of 137 percent, compared with 55 percent for organizations with average or below-average spending on training. –* Study by Knowledge Asset Management and ASTD

Complex organizational issues require complex solutions. Finding the right solution often depends on the training and knowledge level of an organization. In tight economic times, it often becomes more difficult to justify the expense of organizational development. However, that is exactly the time you need to make the investment in developing your employees who will need new skills to produce more results with fewer resources. How else will your organization find the tools to prepare employees to answer the urgent financial and production issues?

Leaner times provide a development opportunity. During the boom times, your organization may have found it difficult to justify time away from the job for training. Consulting firms, which draw their success from expertise in their fields, have a standard practice of using “bench time”. When employees are not assigned to a specific project, they focus on learning cutting edge approaches.

Making the investment in training during lean times may seem unwise, but as the studies by the American Society of Training and Development have shown, that investment will pay off in the long term.

Consider the contribution your high talent employees make to your organization. Diane Zile, vice president of ecology at McStain Neighborhoods, says “a rule of thumb in the construction industry is that 20 employees will generate \$20 million in revenue”. 1)

As you look to the future, will your organization and your employees be ready for the next upturn in our economy? The bottom line on using your training budgets is to ensure you are funding the right efforts to keep your company competitive and get it to its future goals.

- 1) “Repurposing Metrics for HR” by Karen Kroll, from July 2006 HR Magazine, Vol. 51, No. 7, retrieved from [www.shrm.org](http://www.shrm.org).