

# THE ULTIMATE GUIDE TO OUTSOURCING TRAINING FOR WORKFORCE DEVELOPMENT



**N**o matter how robust your learning and development department, it's nearly impossible to meet every workforce training demand for a large or growing company. If you're facing a specialized training need, outsourcing training could be a good option.

For years, outsourcing was considered an admission of defeat for learning and development teams, said Keith Gibson, vice president of business development at The Training Associates, a training company that provides on-demand learning and development solutions.

But in today's fast-paced gig economy, more learning and development leaders are open to the idea of outsourcing portions of their company training, from individual workshops and learning events to complete online learning platforms.

"Outsourcing provides a level of flexibility that is not really available any other way," Gibson said. "If you're a huge multi-billion dollar company creating custom training solutions constantly, it might make sense to build a team to do that. But the vast majority of companies aren't in that position, so it doesn't make sense for them to have the full range of expertise needed to create a full training program."

Still, not all outsourced training is created equal. If you're considering outsourcing training for your company's workforce development efforts, it's important to know how to choose the right provider for your needs and get the best return on your training investment.



## What Should I Do Before Choosing an Outsourcing Training Partner?

There are many factors to consider when hiring a training consultant or provider, but any outsourcing project should first take an internal look at your company's unique needs.

"To find the right fit, get the most from your investment and ensure that training programs you roll out to employees are meaningful, professional and effective, the key is to do your research," said Sue Wigston, COO of Eagle's Flight, a training company specializing in experiential learning. "While it might seem tedious, it is well worth it. Training is often no small investment and is an important decision you need to have absolute confidence in."

This research should begin with efforts to gain a strong understanding of your business objectives, the problem you're trying to solve and how your training needs align with your company's bottom line, said Doug Harward, founder and CEO of Training Industry, an expert resource for learning and development professionals.

"You have to begin with the needs of the business and then align those to the needs of the learner," Harward said. "Don't even think of determining who should be doing the training until you really understand what the fundamental needs of the business are."

Once you have a strong understanding of the learning that needs to happen, it's time to focus on your learner.

While many learning and development teams think they have a good handle on who their employees are and what they need to learn well, it's important not to make assumptions about the type of training or learning platform that will most effectively deliver information, said Gibson.

"The learner focus should be the foundation of everything that we do in learning and development," Gibson said. "We have to start there....The more we understand our learners, the better we'll be able to build a team who can meet those needs."

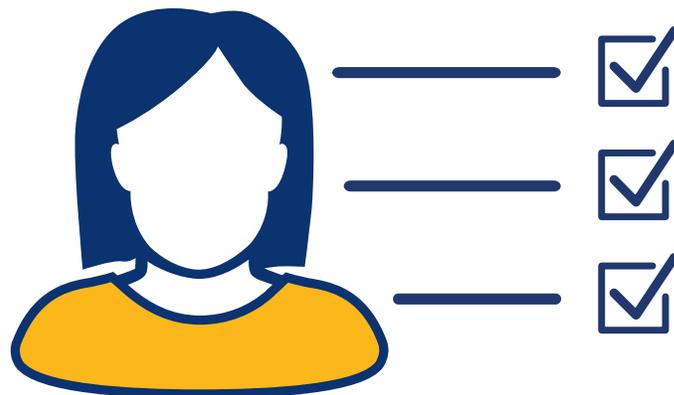
Surveying employees in need of training, conducting focus groups and even organizing individual employee interviews are great ways to better understand how your employees learn best.

Once you've done your research, know the kind of training needed to support your business goals and understand your employees' learning needs, it's time to explore different training providers and consultants to select your best fit.

## How Do I Choose an Outsourcing Training Provider?

In today's learning and development market there are a growing number of training providers to choose from, from individual freelancers and specialized industry or topic experts to full-service learning and development companies and workforce development partners.

Choosing among types of training and training providers can be daunting. But no matter what kind of learning you're outsourcing, there are a few common factors to consider before signing on the dotted line.



## The Cost of Training

The cost of an outsourced training program is often top of mind for training leaders. It's important to look strategically at the price tag of a provider's offerings before making a buying decision, according to an article from Training Industry.

Before signing a contract, make sure you're clear about not only upfront costs for training, but also any future fees that may come along with the project. If you're outsourcing an online learning platform for employees, for example, will there be annual fees to host the service or additional costs to update content as needed?

It's also important to put the cost of any training outsourcing into context. Consider how many employees will be utilizing the training - and for how long - to estimate a per-person training cost. This can help determine which training provider is offering the best value for your needs.

## Business Attributes

Finding the right workforce training provider is not only about cost. Ensuring a training provider's business capabilities align with your training needs is one of the most important things to consider when outsourcing training, Harward said.

Business attributes are a key part of Training Industry's Competitive Differentiator Model, a tool created to help training leaders evaluate training providers and find their best fit. The model recommends reviewing a provider's talent and leadership, geographic reach, cultural compatibility with your company and overall financial stability, among other factors, when making an outsourcing decision.

"We believe that training is not a commodity and there is something inherently special about each training company," Harward said. "So you need to know what are the variables you would choose a supplier on."

## Industry Expertise

A training provider's past experience in your industry can be a key differentiator to consider, particularly in industries with specific safety and compliance policies like health care training, manufacturing training, financial services training or insurance training.

Be sure to ask each provider about the kind of work they've done in your industry before and if they have any needed credentials or accreditations to satisfy your training requirements.

## Learning Methodology

Most training providers have a primary learning methodology they use in their training solutions, Wigston said, from online training and in-person workshops to case studies and experiential learning. It's important to evaluate how a provider's methodology aligns with your learners' needs.

"The best way to evaluate the methodology prior to signing on the dotted line with a training partner is to try it out for yourself," Wigston said. "Many training companies will run workshops, webinars or lunch and learns that allow you to experience it firsthand, so you can better determine if it will have the intended impact you're looking to achieve and fit the needs of your learners."

## Opportunities for Customization

Learning that is tailored to your employees and your business is often the most effective, so it's important to find outsourced training that can match your unique business needs, employee demographics and even branding, language and company culture.

"Training that has been customized to look, feel and sound like your organization will have a far greater impact on the employees engaging with it because they feel as though it has been made exactly for them - and in fact, it has," Wigston, said. "Ask any potential provider how they propose to work with you to learn more about your organization's specific challenges and their plan to facilitate change and implement real learning that sticks."

## References and Reviews

You wouldn't hire a landscaper without reading customer reviews, and you shouldn't hire a training provider without reviews and references, either.



"You have to do your own due diligence and make sure they really are good at what they say they're good at," Harward said.

Reading online reviews, talking to their past clients and even conducting a site visit to the company's headquarters are great ways to learn more about a provider, their commitment to customer service and their ability to deliver on their promises.

Overall, it's important to find a training company or consultant that will mesh well with your company culture and employees, said EJ Kritz, director of training practice at Ath Power Consulting.

"We take an extra step in our vetting process and actually interview employees," he said. "So that way, when we walk in the door as trainers, we know the culture, the vibe, the pain points and we can talk their language. A training company that is going to give you their off-the-shelf product is a big mistake. You have to feel a real, personal connection to a company."



## How Can I Measure ROI of Outsourcing Training?

Successfully outsourcing training doesn't end with the selection of a training provider or training consultant. Any time you spend learning and development money, whether on internal training, workforce development programs or an outsourced training program, being able to measure your return on investment (ROI) is key.

It's this measurement that helps demonstrate whether a training program was successful, whether it should be repeated and how your learning and development budget should be allocated in the future.

So what can you do even before outsourced training begins to set yourself up to accurately measure ROI?

## Ensure training solves a measurable business problem

If you're not doing the right kind of training for your business objectives, you'll never be able to accurately measure ROI, said Harward. Ensuring your outsourced training program is tied to a clear business problem with a measurable outcome will make it easier to measure a program's value.

"ROI is the holy grail of training - everyone wants to measure it and can't find it," Harward said. "If you're doing the wrong things in training, you're never going to be able to measure ROI, because you can't tell the benefit. But if you do the right kind of training you will be able to measure the value."

## Identify Key Performance Indicators (KPIs)

Common metrics for assessing the benefits of learning and development are typically tied to profits and cost-savings, Wigston said, including increased profits, higher customer retention rates or lower turnover among employees.

But the effectiveness of workforce development training can also be measured by less tangible gains, such as employee satisfaction or technical competence.

## Start measuring KPIs before training begins

It's not enough to start measuring and tracking your KPIs during the training process or after training has been completed, said Kritz.

In order to have an accurate measurement of the gains seen as a result of a specific training initiative or provider, it's important to measure your KPIs for a period of time before training begins so you have a baseline for comparison.

## How Can I Support Outsourced Training Efforts?

Outsourcing training can be an effective way to tackle your industry-specific or company-specific training needs.

If you're looking for a short-term, one-time training solution, like a workshop or webinar, a training consultant or smaller training firm may be a good fit. If your business needs a custom training program with various methods of learning delivery, outsourcing to a full-service training company may be your best option.

If you want workforce development that goes beyond job training and allows your employees to advance their education and even earn a degree, collaborating with a workforce development partner like Southern New Hampshire University provides opportunities to customize degree programs to fit your specific business demands.

No matter what kind of outsourced training you're looking for, approaching training not as a one-time activity but an ongoing development effort is key to see lasting success, Harward said.

"Trying to teach a group of people to do something a certain way doesn't happen in one day, it happens over time," he said.

Reinforcing the learning of any training program through on-demand learning access, regular training refresher sessions, follow-up videos or emails and even on-the-job learning experiences can help ensure any training initiative is successful long-term, Harward said.

The best outsourced training programs occur when a training consultant or company is more than a vendor, but a true partner who understands and is interested in your unique business needs, said Kritz.

"Outsourcing training is a relationship," he said. "Training really needs to be a partnership and a journey."

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