



TRAINING NEEDS ANALYSIS

*“Sixty years ago I knew everything; now I know nothing; education is a progressive discovery of our own ignorance.”
— Abraham Maslow*

Entering the month of September usually means a few things for most people — less time spent outdoors, fewer opportunities to share in all kinds of summer activities and lastly, time to get back to our well-established routines. With routine, often comes the pondering of where we stand in our professional lives and how we can continue to develop our existing skills as well as build fresh ones. In this edition of InfoPays, we elaborate on the topic of training and how it may be approached and analyzed from the perspective of an organization. On a similar note, we also talk about growth and how to successfully manage it.

Training occurs at every level of an organization and requires important resources to make it successful. Analyzing your company's training needs is very important, as it will allow you to invest your resources in the most cost-effective manner. The following tips will show you how to implement a training needs analysis within your organization:

1. Coordinate training needs. Training needs that exist in one department are likely to exist in another. It is a good idea for different managers to cooperate so that the company integrates its training and development activities. Alternatively, if your organization is large, you might want to have a person or team that is in charge of analyzing and implementing training and development.

2. Anticipate the needs. Anticipated needs often appear at the organizational or activity level. If for example, a new machine is coming into the company, it will have training implications. It is imperative to anticipate training needs at all times in order to implement timely programs to address them.

3. Develop monitoring techniques. Some problems that fall into the category of training can go unnoticed while they creep up in the organization. Active monitoring systems will help you spot them. Make sure you have standards and indicators that are constantly

looked at. You can also use variance analyses, in which case you would investigate any deviation from the standards that were set.

4. Keep an open mind when analyzing the problem. Remember that problems will not always be solved by simply implementing improved training and development. Sometimes, the physical environment, organizational structure or policies may need to be changed in order to address the problem at hand.

5. Identify the level. A training need might be limited to an individual or activity, but it is more likely to impact at least two or three levels. Sometimes training needs to be addressed at the organizational level in order for the problem to take proper effect.

6. Take appropriate action. If the training needs are within your span of control, address them right away. If they affect the organization, make the appropriate recommendations and inform the people who have the authority to address company-wide issues.



PLANNING FOR GROWTH

“Growth is never by mere chance; it is the result of forces working together.” — James Cash Penney

IPS RECOMMENDS:

- **Get your invoices paid fast.** Making sure you accelerate your incoming payments is essential, and unpaid invoices are an important cash source to unlock.
- **Ensure your growth is sustainable.** Be certain that your business is not undergoing seasonal or incidental growth.
- **Perform regular cost control.** Tight cost control is another important element of healthy cash flow.
- **Be realistic with growth projections.** Growing faster than you can expand may decrease your liquidity and level of service, sometimes leading to ultimate failure.

To give a company stability and direction through growth, it is essential to have a well thought out strategy. Successful growth requires a delicate balance between incremental business, the operation's capacity and the cashflow available to fuel it. Fast growth is not always easy to handle, but a step by step approach can help to make it more manageable.

Run a growth diagnosis.

1. Based on historical data, the company's internal resources, the market, the economy and the competitors, analyze the potential growth based on sales, number of customers, or any other measure you use within the company.
2. Analyze how quickly the operation can expand to absorb the increased demand. Remember to include human capital as well as capital equipment in your analysis.
3. Determine how much cash is needed to fuel the potential growth of the business. By doing

analysis of the cash inflow and outflow, you will be able to look at your current potential and assess if any improvements can be made. It may be possible to improve the company's liquidity by accelerating the payment of invoice receivable, restructuring the company's debt or converting unused assets into cash.

Prepare a growth strategy.

Based on the information acquired through the diagnosis, prepare a detailed growth strategy:

1. Define the company's growth objectives and include a timeline detailing the growth rate at specific time periods.
2. Write a detailed plan of how the operation will grow including a timeline pinpointing the specific times when more capital will be added or the workforce will need to be increased.
3. Determine the cashflow that will be needed at each point of time specified above. Include the sources

from which you will obtain additional cash and the steps that will be needed to acquire it.

4. Communicate your strategy to the pertinent departments and managers. By taking a proactive approach and having a detailed plan, your company will have the ability to grow at a healthy pace and anticipate any challenges that may appear down the road.

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