



HOW TO GET MORE TRAINING BUDGET IN A WORLD OF SCARCITY

by Martin Lush

"If you think training is expensive, try ignorance."

David Begg

LET'S START WITH A CASE STUDY...

Back in 2016 I spent time with a company struggling on every front. Compliance was poor, productivity at an all-time low and products were coming off patent. They were facing a revenue cliff. Every dollar spent had to be justified and 35% savings made. Anxiety permeated the four-day budget meeting where departmental heads made their case for a slice of the ever-diminishing budget pie. Inevitably, there were winners and losers. Here's a quick précis of the meeting minutes:

- > Manufacturing department's request for a new filling machine? Approved. Why? Because there was a quantifiable return on investment (ROI) as it could fill faster and better.
- > Engineering's request for a new HVAC system? Approved. Why? The plant would be able to operate 24/7. Another ROI no brainer.
- > QC lab's request for an automated self-injection system? Approved. Why? Reduced salary costs. Another quantifiable return on investment.
- > Request for additional training in risk-based decision-making, root cause analysis and problem solving? Rejected. Why? No perceived ROI.

When there was a quantifiable benefit (ROI), money was available. No quantifiable ROI meant budgets were maintained or cut. I followed the head of training and development from the room. She was utterly dejected. For the third year in succession her training and education budget had been cut by between 7-11% each year.

"Martin, it's always the same. Because I can't link training to a quantifiable dollar value it's considered a cost rather than an investment. We only have money to cover the basic GMP refresher training to tick the compliance box... What am I doing wrong? Can you help?"

I sat down with the chief financial officer to help him see the light. I kicked off with the adage:

CFO to CEO: *"What happens if we train all these people and they leave?"*

CEO in reply: *"What happens if we don't, and they stay?"*

He wasn't impressed, *"Martin, we've spent over £300K on training in the last 18 months and seen nothing back in return".*



I found out he was right. In addition:

- > Training was rarely targeted to meet a specific business need.
- > Most of the training program focused on the “how” (task specific), not the “why”.
- > Training effectiveness was not assessed, only short-term memory using questionnaires completed immediately after each training course.
- > Most training was classroom, PowerPoint based. We all know that over 90% of information conveyed in this way is forgotten within 24-48 hours.
- > No one understood that training alone changes nothing. As I have said in previous articles and YouTube videos (*Changing GMP Behaviors Part One and Part Two*), improvements in workplace behavior needed for that illusive ROI depend on:
 - Intrinsic motivation. People need a “What’s in it for me?” and to understand the “why”.
 - Those trained must be capable of applying the new knowledge by using simple processes, simple SOPs and simple tools.
- > Training requires practice and learning from failure until the new behavior has become habituated.
- > And finally:

Quantifiable return on investment had never been calculated.

However, this story has a happy ending. Over 12-18 months:

- > The site’s training budget increased, outpacing productivity gains. By 2018 they were spending more on training and education than ever before. Their training budget increased by an average of 34% each year in real terms.

- > Productivity increased by 30%. They were making more quality product, faster. Rejects, repeat deviations, reworks and work in progress were all reduced.
- > Compliance improved dramatically.
- > Staff attrition fell from 18% to less than 5%. Why? When people feel cared for (invested in), they tend to stay and (usually) with a smile on their face.

So, how (in an environment of scarcity) can you get the same results?

How do you convince leadership to spend more on training and to keep critical programs at the top of the list of budget priorities?



YOUR SIX TO FIX TO INCREASE YOUR TRAINING BUDGET AND IMPROVE YOUR BUSINESS

- 1. Make sure every training program is linked to a specific business need, not just compliance, the more specific the better**

One of the site’s top three priorities to improve compliance and productivity was to reduce repeat deviations. They wanted to invest in a training program to “certify” those responsible for conducting the investigations. More later.

- 2. Identify what workplace behaviors must change to achieve this business need**

Remember it’s all about improving workplace behaviors and performance, not the knowledge transferred in the classroom. The site identified behaviors they wanted to change.



3. Calculate ROI before asking for the money

This is an essential step that is often missed and causes training proposals to get turned down. I sat down with the head of training and her colleagues in finance to justify the investment. This is what was eventually presented to the senior leadership team for approval:

Business need – improve productivity and compliance: Reduce repeat deviations.

Training need: Investment in NSF's three-day deviation investigators certification program to reduce repeat deviations by 30% in 8 months.

Underpinning knowledge required for certified investigators:

- > How to do the "gemba in 10," getting to the scene of the incident in under 10 minutes
- > Products and processes (key quality attributes and critical control points)
- > Risk-ranking tools and techniques
- > How to investigate the error chain (remember there is no such thing as root cause)
- > The vital soft skills needed for every investigation including:
 - Risk-based decision-making to allow risk-smart (not risk-averse) decisions
 - The Kline process (open-loop questioning)
 - Six Thinking Hats
 - Force field analysis
 - Fishbone
 - F – A – U (facts: assumptions: unknowns)
 - B = M.A.t.H.
- > How to move from CAPA to PACA and become more preventive focused

Working with their finance department we estimated that the labor and admin costs for each repeat deviation was approximately \$12.5K. The actual costs would have been considerably higher if we had considered other factors such as delayed product

release, extra rework and retraining. Given the high numbers of repeat incidents, a 30% reduction would provide more than \$1.8M in savings.

Because there was such a strong case, the investment required for the course was approved. Making such a convincing business case is also a very strong motivator to deliver the results. If you don't, your credibility will be questioned next time around.

4. Make sure you adopt the 10/20/70 model to take training out of the classroom and into the workplace



This model has been mentioned many times in the past. 10/20/70 simply represents the amount of time in training spent conveying the essential why and what (10%), practicing the skills (20%) and application in the workplace (the 70%).

5. Establish a learning and feedback loop to see how things are improving (or not)



Behaviors (and improvements) don't change overnight. If you are not seeing improvements, find out why using our B = M.A.t.H. model

- > Lack of intrinsic motivation?
- > Overcomplexity?
- > Absence of trigger events (reminders of what to do)?
- > Not enough practice, coaching and feedback?

Remember, you promised a ROI, so you have to deliver. It takes time for new habits to become established. Be patient, mistakes will happen so be ready! If you are not seeing improvements find out why and fix it.

6. Publicize your success

As soon as you start to see positive results, publicize the results in a language that resonates in a world of scarcity.



In summary

- > Make sure training is linked to a specific business need
- > Identify the specific behaviors (improvements) in the workplace you want to change
- > Calculate the ROI before you ask for the money
 - Become best friends with your colleagues in finance
 - Become more financially literate and make sure the sums add up, remember your credibility is on the line
- > Adopt the 10/20/70 approach
- > If you're not getting the results, find out why and fix it
- > Publicize your success by using language key decision-makers understand
 - Reduced rework time = X dollars savings
 - Faster output/turnaround = Y dollars
 - Less work in progress = Z dollars

ABOUT THE AUTHOR



Martin Lush has over 30 years' experience in the pharmaceutical and healthcare industry. He has held senior management positions in QA, manufacturing, QC and supply chain auditing and has conducted audits and education programs for many hundreds of companies in over 25 countries.

For more information, contact pharmamail@nsf.org or visit www.nsfpharma.org

Copyright © 2019 NSF International.

This document is the property of NSF International and is for NSF International purposes only. Unless given prior approval from NSF, it shall not be reproduced, circulated or quoted, in whole or in part, outside of NSF, its committees and its members.

Cite as: NSF International. May 2019. How to Get More Training BUDGET in a World of Scarcity. NSF: York, UK.

NSF INTERNATIONAL | PHARMACEUTICAL SERVICES

The Georgian House, 22/24 West End, Kirkbymoorside, York, UK YO62 6AF

T +44 (0) 1751 432 999 | **E** pharmamail@nsf.org

789 N Dixboro Rd, Ann Arbor, MI 48105, USA

T +1 202 822 1850 | **E** USpharma@nsf.org

www.nsf.org | www.nsfpharma.org | Follow us on [LinkedIn](#) & [Twitter](#)