

Budgeting for Success



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It's budget season and there is one line item you cannot afford to overlook – employee training and education.

In tough economic times, companies are often tempted to cut their employee training and education budgets. However, forward thinking companies will use this market slowdown as an opportunity to strengthen their talent base and gain a competitive edge. Training can be one of the most cost effective investments for a company – providing a positive impact on employee recruiting, productivity, performance, satisfaction and retention.

Today's corporate executives consider the inability to attract and retain talent as a key threat to business success, only behind industry competition. Consider the facts:

- The average American changes jobs every four years.
- Due to several decades of declining birth rates, there will be an estimated 10 million more jobs than people by 2010, thus creating a severe shortage of talent.
- In the next decade only 20%

of the 20 year olds in the US will obtain a college degree, but more than 90% of the new jobs created during this period require such a degree.

In order to stay "in the game", companies must develop a "talent mindset" and start investing in their greatest asset – their people. A company's commitment to ongoing professional development has proven to be one of the top five factors impacting employee satisfaction and retention. Studies show that employees without access to training are 300% more likely to leave their employer within 12 months, and that 8 out of 10 employees surveyed would have higher job satisfaction if they had more training.

The American Society for Training & Development recommends a minimum of 40 hours of training per year for every employee. Training budgets typically represent 5 to 20% of total corporate profits or 1 to 3% of company payroll. What is the return on your investment (ROI)? Leading edge companies, in the top quarter of training expendi-

tures per employee per year (\$1500 or more), are averaging 24% higher profit margins and 218% higher revenue per employee. Research also indicates that a 10% increase in employee training spending will increase productivity by 11% or more and that just a 2% increase in productivity has been shown to net a 100% return on investment.

In developing a successful training program, take into account the competencies and skills that determine your company's success, as well your employees' wants and needs. It is critical to keep your employees abreast of industry developments and new skills required. Companies should also develop training to "round out" employee performance gaps and to help employees keep their careers moving forward. The company goal is to develop a loyal, top performance team and to establish a pipeline of future leaders.

Get started today - create a company culture that encourages your employees to become lifelong learners and watch your "investment" grow year after year. ■

“The only difference between one organization and another is the performance of its people.”

— Peter Drucker



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(1) Brent Ellis joined Walton Construction a project engineer on the Lake Highland Town Center project in Dallas. **(2) Walton Construction** also signed **Amy Keddington** as project administrator. **(3) R.U. Kidding** was named Vice President and Director of Human Resources for the Tree-House Properties Division of Crammel Toe. **(4) Russ Maples** is now with Walton as quality control manager overseeing the garage facility project at the Naval Air Station/Joint Reserve Base in Fort Worth. **(5) Kevin McAllister** also joined Walton as project superintendent managing subcontractors on the air traffic control facility at the base. **(6) Randy Robertson** joins Walton as project superintendent, overseeing field operations for the Lake Highland Town Center in Dallas. **(7) Turner Construction Company** promoted **Abrar Sheriff** to vice president and general manager of the Special Projects and Interiors Division, overseeing Dallas, Fort Worth, Austin and San Antonio. **(8) Cindy Stanley** was appointed the first Executive Director of the U.S. Green Building Council North Texas Chapter. **(9) Meredith Wolff**, an undergraduate real estate student at Southern Methodist University, was one of ten national scholarship recipients from CREW Network. **M. David Lubin**, IIDA, LEED AP has joined the Dallas office of Gensler as project director. *(picture not available)*

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