Building the Right Learning Portfolio

Ten lessons from the financial sector you can use now.

By Vicki Cerda

Amid the uncertain economy, ongoing corporate scandals, and two years of Wall Street woes, financial advice continues to flood the marketplace. The lessons about asset allocation, diversification, and other fundamental investment principles can form the cornerstone of a sound corporate learning strategy. Though individual factors are sure to shape your learning portfolio, these 10 strategies can also help you plan, keep on track, and increase value for your clients.

1. Look beyond ratings.

Research potential suppliers and their products and services. Investigate the corporate culture, short- and long-term direction, collaborators, financial status, risks, costs, and other strategic company information. Consider investing in reference databases and speaking to the supplier's past and current clients. Sample the products. In other words, thoroughly familiarize yourself with the supplier's prospectus.

2. Reassess continually.

Your original learning strategy may have worked a few years ago, but does it now? Discipline yourself to carefully review your portfolio periodically, more often during turbulent times. Goals may have changed. Perhaps there's a new education mandate, or departments merged or were eliminated. Just as you would reassess your financial portfolio, you may need to modify your strategy to keep your learning plan on track.

3. Set goals within a timeline.

Your goals are likely different from those of your competitors and peers. Determine your goals by evaluating your organization's needs, audience, timeframe, budget, and resources. Align your strategy and its elements accordingly and you'll not only meet your specific goals, but you'll also maximize your training investment.

4. Compare only similar products and services.

Don't compare apples with bananas. Audience, format, content, licensing, among many other things, will vary greatly among courses. One option may be better suited than another to meet your needs, but each product has its own place in the overall portfolio. Be sure to compare costs and return-on-investment only with peer products and services, and only over a comparable timeframe.

5. Simplify your options.

If you don't want to evaluate more than a dozen courses or wade through numerous proposals, consider buying from a supplier that maintains a large selection of content. While still meeting the needs of your audience, you'll avoid the headaches of integration, provide a consistent look and feel, and simplify reporting. Most likely, you'll also pay less because you can bundle purchases and take advantage of volume discounts.

6. Don't credit the new account manager for the old track record.

Account managers can make or break your success. You've worked hard as a team to establish trust and plan for the future. But when your manager is replaced, you'll need to start over. The new manager needs to establish his or her own track record, which takes time and effort from both parties. React as you would to a new mutual funds manager: Consider this a good time to reevaluate the suppliers and check out the competition, especially if you experience any confusion or diminishing ROI. And look out for any new costs or hidden fees.

7. Invest in diverse options.

No two funds perform exactly the same way, so asset allocation helps smooth out the volatility of your financial portfolio. By investing in a large mix of funds and companies, you strike a balance between risk and return. For learning, allocation is accomplished by providing various forms: classroom or computer-based instruction, books, on-the-job training, mentoring, simulations, or case studies. That way, you focus on a long-term solution that accommodates individual learning styles. You increase the chance that your customers will stick to the training and want to return for more.

8. Diversify your curriculum.

Diversification isn't necessarily having 10 mutual funds; it's more like having 10 different and distinct mutual funds. Similarly, you need to provide a balanced curriculum to gain well-rounded employees. That translates into offering a wide variety of courses for your customers. For example, offer accounting or finance classes to teach the communications department about general business transactions, or get your soon-to-be leaders off on the right foot with management courses.

9. Don't put everything in at once.

Dollar-cost averaging—-making investments at regular intervals in order to capitalize on the market's dips and gains—-can be useful in times of uncertainty. It's particularly helpful if you think the market will fall further but you don't want to miss a turnaround. With learning, it's also crucial to invest regularly so that offerings are up-to-date, continually available, and replaced when not regularly used. That makes learning an ongoing, positive, and ever-changing experience.

10. Monitor performance.

Newspapers, magazines, and Websites provide a variety of investment performance measures. Each show a fund's performance over time, but none predict how the fund will do in the future. Just as you should gauge a fund's performance in comparison to others of its kind, the same holds true for assessing learning returns. Make sure the measures are appropriate for what you're trying to evaluate. Ensure that rating scales are on par and data is collected consistently and accurately. Only then can you benchmark results across the industry and specifically within your organization.

It's time to take advantage of the current environment. In all cases, you need to compare your learning and development investments, develop a plan, and build a solid and diversified learning portfolio so you can begin to benefit. The key is to become more informed and confident with your knowledge. The learning sector isn't so different from the financial sector, no matter what stage you're at. Both need careful management.

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