

"WHAT DO WE DO WHEN WE FIND OUR FUNDING CUT, OUR PET PROGRAMS SHELVED, AND (WORSE) OUR INGENIOUS MAJOR PROJECTS CANCELLED?"

# "AFTER THE BUDGET FREEZE"

BY LARRY GIBSON

As most of us in the training profession are well aware, when the economy turns sour and organizations start looking for ways to shore up weakening bottom lines, training is one of the first areas to catch the budget freeze. Now, as soon as this is said (or done), many of our learned colleagues in the profession will be quick to tell us that it need not be this way if we have been astute enough to have: (1) made our efforts so demonstrably productive that top management values our contribution over most others; or (2) so effectively "sold" ourselves to top management that we have convinced them not to impair our budgetary health.

All of this advice is usually about as helpful to me as the counsel I get from my doctor who tells me that if I had only taken better care of myself years ago, I would not be in such lousy shape today. In neither case does this help us to deal with the reality that we did not do all of those things (either organizationally or phy-

sically) and that we are now suffering from budget-freeze "frostbite" and malfunctioning bodies.

So what do we do when we find our funding cut, our pet programs shelved, and (worse) our ingenious major projects cancelled? Let me tell you how our company dealt with this happening, and how I think our approach has been productive for the company and of inestimable benefit to our training function.

When the company's early warning system indicated a recession in the offing, our C.E.O. moved quickly to activate austerity measures designed to gear the company to decreasing revenues well before the decline actually began. Among these measures were an immediate freeze on many of our management and supervisory training programs and heavy restrictions on allowable travel expense. Since the employees of our company are scattered over 49 states, some of our other training and internal consulting programs were also restricted by the travel moratorium.

The initial reaction of us in the

Training Department was predictable. We groused about what we perceived to be a vote of no confidence. We speculated about our security. We asked, "why me?" of each other. We created sick jokes to augment our fantasies about our dire plight. Fortunately, we were able to get through this post-operative depression very quickly. Two significant sets of events contributed to our rapid recovery.

First of all, we found ourselves collecting the rumors from around the company about the meaning of the training cutbacks. It did not take us long to realize that the fantasies we had created for ourselves were no more clever, and in most cases even less imaginative, than those being created outside our department. We firmly believe in maximizing strengths, so we decided to leave fantasizing to others in the company who were obviously more skilled and experienced than we, and decided to concentrate our efforts on capitalizing on what has turned out to be a rare and rewarding opportunity for our training function.

Secondly, our C.E.O. and the

senior vice president to whom I report were careful to convince us that the freeze was purely economic and was in no way to be interpreted as derogatory or lasting. Their efforts in this regard reinforced our philosophical prejudice about the importance of "people" concern in all decision-making, and also our resolve to set about at once planning the future rather than cursing the past. We quickly launched a positive planning effort.

The many opportunities opened to us through our positive approach to what appeared to be negative events have cured our initial frostbite. We warmed ourselves by moving in a much more productive and satisfying direction. The opportunities we have found to be most significant so far in results terms are enumerated here as a prescription for turning a training effort into what we know it should be — in *good* times as well as bad.

We found we had the opportunity to:

1. *Join ranks with top management.* We affirmed our understanding of the necessity for the freeze and our willingness to cooperate fully. We validated our words with agreement to take other cost-cutting actions of our own, such as delaying the purchase of new audio-visual equipment and additions to the film library. We also asked what other actions we might take. This positive approach, this modeling of the good-faith behavior and open communication we preach so much, resulted in a closer working relationship with top management, allowed us to fully communicate our concerns and desires, and ultimately resulted in our getting more of what we wanted in top-management support. For instance, since we had greater time availability, we were asked to do more OD-type internal consulting for top-management committees, and to assist other departments in aspects of manpower planning we had not previously been involved in (but had wanted involvement in).

2. *Re-evaluate and revise the programs temporarily suspended.* We, like so many of our colleagues in this profession, were too busy *doing* training programs to spend as much time as was needed to analyze the results of the programs and revise them to better achieve the desired outcomes. We now had the time to expand our evaluation feedback systems, and to create different systems to get better evaluation readings. With these and with our own knowledge of where the programs could be improved, we revised them, using the time we would have expended delivering the old programs.

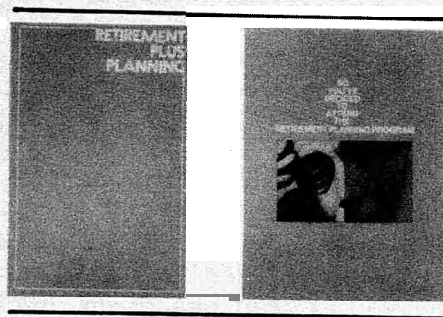
3. *Look closely at our own function and get clear with ourselves about exactly what we wanted to become as a department.* Obviously, the Corporate Planning Committee was delighted to get such reasoned input, and did, in fact, incorporate our projections into the five-year plans.

4. *Get clarity on the role and the expectations of the Training Department.* Having captured the

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above opportunities, we asked top management to commit to a series of role clarification sessions, which they agreed to do. The C.E.O. committed to joint sessions of the President's Advisory Committee and the Corporate Planning Committee to do this. The results were (1) a better understanding of the company's expectations of us, (2) a definitive role and mission for the Training Department on a broader corporate level.

5. *Revive pet projects which had been side-tracked because of lack of time and personnel.* Several projects which management had agreed would be beneficial (and which could be completed at little or no additional expense) were activated, such as a cassette/workbook orientation program package for new employees to augment their formal orientation by expanding their knowledge of the corporate structure and the nature of the company's services other than the ones they were directly involved with in their own locations. The pay-off here was the

greater awareness by more people in the company of the diversity of skill extant within the Training Department.

6. *Do more research within our discipline and profession, and within the company and its operations.* Programs on Title Insurance Management and Improved Productivity Commitment are fallouts from this research. Having the time available to do this type of research has helped us to further develop personally, to add to our value to the organization, and to produce this article.

In summary, we demonstrated what we try to teach others about management: that the manager's job is to turn adversity to advantage. These are some of the gains we see already. Our budget freeze has given us a greater role in our company's future, increased the effectiveness of our relationships with top management, generated new programs and new directions for us, aided in our personal growth, and provided a much sounder and broader base from

which to proceed once the thaw arrives. We firmly believe the approach outlined here, or a similar positive reaction, can turn what appears to be a traumatic event into a golden future for training departments. The only appropriate place to have frostbite is in the memory.

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