



The Importance of Employee Education

Businesses today have to do everything they can to stay competitive while working to build a skilled and motivated staff. According to a recent study by Deloitte, 83 percent of executives identified training and development as important or very important. This is driven by the growth of the “gig” economy – freelancing and outsourcing, and the reduction in lifetime employment. Their personnel need and want more employee education and training that will build specific skills.

Although it may not initially seem like it, this is good news for you as a business owner. The more flexible and open you and your employees are, the better your company will be at taking advantage of shifts in the marketplace or weathering short-term industry downturns.

Education and Training Options

Your firm can train its employees in a number of ways. You can provide training directly through in-house seminars and courses or via online resources. You can purchase specific programs, or you can buy a company subscription from online training providers such as Coursera or LinkedIn’s Lynda.® Additionally, your firm can send employees to off-site, job or project-specific training. As a manager, you can also nominate employees for leadership development programs offered by local chambers or similar business organizations.



Benefits

According to Forbes, there is a range of benefits you, as a business owner, can implement that provide training and education for your employees.

Well-trained employees can speak knowledgeably about what your company offers and how it supports its customers, whether those employees are in customer service or working in a warehouse. In other words, they become de facto ambassadors. They understand and follow processes and procedures better, and will often help identify a need.



In this way, employees who are well trained are often more empowered.

For the most effective education, employees must retain and use the information. Hence, the training you provide or sponsor must have a practical on-the-job component. In on-site training, have your employees work together to resolve a current dilemma. For offline or off-site training, have your employees summarize what they learned and how they will use what they learned in their everyday work. Knowing that they need to report on what they learn will encourage your employees to focus and get the most from the training.

Employee development translates into higher employee engagement, stronger morale and greater job satisfaction. It shouldn’t come as a surprise that businesses with happy employees also have high retention rates. Employees that enjoy their workplace often need more than a 5 to 10 percent increase in pay to be lured away. In addition, when your employees feel appreciated and engaged, they will sing your firm’s praises to their friends and associates. Combined with an employee recruitment incentive program – this can significantly decrease recruitment and acquisition costs.

Financial Education

An often-overlooked type of training, such as financial wellness training, can be highly beneficial to both your employees and your business – you can look at sites like **SmartDollar and Retiremap**. If your company provides a 401(k) plan with a match, investment training can aid in increasing the comfort level – hence, the usage of these benefits. Because it's rare that small businesses provide retirement benefits, your employees will need to rely on their IRAs, along with social security, to fund their retirement. As your employees near retirement age, those who are less concerned about their financial post-retirement well-being will be more relaxed. They'll also be more willing to pass on knowledge to others than those who are highly fearful of losing their jobs because of the adverse impact it would have on their financial situation.



Financial wellness training can also provide budgeting, money management, saving, and general tax information that can help reduce the financial stress in your employees' lives. Do you have employees whose wages are being garnished for any reason? Do you provide loans to any of your employees? If the answer is yes to either of these questions, periodic financial wellness training can help alleviate any problems they may encounter. It can serve as both a prevention tool and empowerment resource to augment all employees' financial health.

Continuous education is one way that your employees show their commitment to job development and their careers. Learning new concepts, processes and methods contributes to their professional growth. Your commitment to their growth and well-being will be rewarded through higher engagement, enhanced creativity, higher productivity and lower turnover.

For more information, contact your KeyBank Relationship Manager or visit **key.com/smallbusiness**.

Source

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