

Opinion: Thriving in the credit crunch

Issue 20-06-08

Is there any truth in the old adage that 'training is the first thing to go in a economic downturn'? Jim Lawless argues that for true professionals, there is nothing to fear in the current economic climate and everything to play for.



As a trainer and speaker, I am hired to give inspiring and motivating speeches. In spite of this, I'd like to make it clear that I am not an advocate of the American positive thinking movement and I certainly do not believe that 'anything is possible if you put your mind to it'. I do, however, find that a healthy regard for the likelihood of failure - combined with a healthy fear of failure – can drive me to plan more carefully.



"Great trainers are in the business because they want to make a difference for people. In a recession this is exactly what our clients need and what they focus on when seeking trainers to employ."

So this article is not a manifesto for unfounded optimism as a strategy for coping with economic realities. It is a realistic view, based on 10 years in the training industry, including surviving the dot-com bubble bursting with an exclusive portfolio of technology and telecoms clients. What I believe with total conviction is that in spite of what has been reported in some sections of the press, high quality, hard working, professional trainers have nothing to fear in a downturn.

The idea that the training budget should be the first thing to go in a downturn is outdated and dangerous for modern industry. Our clients know this better than we do. Our clients are operating in a skills and talent-based economy. Trainers provide and maintain the skills training that can help in retaining talent. This means we are one of the raw materials required to create the product or service - whereas 30 years ago it was steel or coal. We may need to demonstrate that this is the case – but that is what a good sales person or account manager does. Most professional trainers have long accepted that selling is part of the job, and those of us who have not may have reason to look to our own skills portfolio.

Poor quality training providers can only sell when the economy is booming and in such times they are an annoyance to the rest of us, providing distractions to clients that prolong the procurement process. They compete on discounts (rather than value added) and consequently force other trainers into negotiations that revolve around price points instead of obtaining a fair fee for a good quality job. Lacking the originality to build ideas from scratch, they copy better quality trainers. Let the downturn come and let them be swept away! A less crowded market will benefit the

creative and enquiring minds whose brilliant and original ideas will help their clients learn the skills to move forwards and prosper in difficult economic times.

Great trainers are in the business because they want to make a difference for people. In a recession this is exactly what our clients need and what they focus on when seeking trainers to employ. If we can demonstrate an ability to inspire people to change and provide them with the skills to make that change, we will find clients who are willing to hire us.

"A downturn is not a reason for talent to feel gloomy. It is a time for the professional, creative, flexible trainer, who cares about their clients and has therefore built relationships with them, to thrive."

That doesn't mean that we can afford to rest on our laurels. A downturn forces us to look at our offering and work hard to ensure that it is creative, innovative, engaging and effective, and that we are as good at the delivery as we possibly can be. A trainer who prides themselves on being a professional will spend time understanding their clients and know the value of building long-term relationships. This enables them to adapt their offering when the clients need change. In a downturn, this can prove essential as the results that have been proven over time demonstrate the value in continuing to work with the trainer, or even stepping it up.

A professional trainer is flexible and adaptable. If the client's changing market conditions require a shift in our approach, the professional enjoys the challenge, but the dullard becomes nervous and looks for more course materials to 'borrow' from the professionals.

All trainers would like to have a team of excellent people to help make their business a success. A recession forces us to look at our cost base and be sure that all of the people we bring on board - such as marketing people, PR or website designers - are bringing us great returns. Now is the time to look at your team's performance in the marketplace and make cut backs where this has not been satisfactory.

Trainers who have considered these things can survive the slowdown. Those who have invested in client relationships over the years can maintain them during a recession, and can even see them grow in strength as we help them to adapt to the new economic conditions. Great trainers want to deliver real lasting change for the people that they touch. In a recession, so do their customers.

A downturn is not a reason for talent to feel gloomy. It is a time for the professional, creative, flexible trainer, who cares about their clients and has therefore built relationships with them, to thrive. Let's not read 'Training in Crisis' surveys. Let's get yet more fascinated by our clients' needs and get in front of them to tell them what we can achieve with them!

Jim Lawless is an after-conference speaker and has just launched ZooBites, an initiative which he hopes will revolutionise the world of corporate training. For more information visit www.zoobites.com and www.jimlawless.com

