

Lack of Business Training Contributes to Small Business Failures

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More than half a million U.S. small businesses will fail this year, according to statistics from the U.S. Small Business Administration. For every one business that succeeds, 10 will not. Business failure is not only common with new start-up companies, but also with businesses that have been around for some time.

An analysis by Coleman Management Services Inc. found that less than 17 percent of the reasons cited for business failure are due to outside influences such as inflation and economic reasons, or union problems. Eighty-three percent of the reasons a business fails are within the control of business owners and managers.

What can CEOs and organizations do to ensure they will survive and flourish? Where do successful companies invest their funds and attention? One area proven to result in long-term stability and expansion is business training. There is a direct correlation between the level of investment in company training and increased levels of productivity and profitability.

"If your company isn't investing in corporate training, think about all the companies you admire as models for doing business right," Fortune 500 consultant and trainer, Brian Tracey said. "You'll not only find that they've got a good business training program, it's a part of their culture. If you ask them why they train, they probably would look at you like you were from Mars, because it's like asking them why they breathe. If you want to breathe some life into your operation, start by investing in your people: train them."

Online training can deliver significant cost savings for CEO's and their organizations when compared to traditional types of business training, according to ASTD (American Society of Training and Development). ASTD's 2004 State of the Industry Report shows that the use of technology for delivering learning increased almost 30 percent in mid-size companies and close to 35 percent in larger companies in 2004, and will continue to increase in 2005.

In addition, according to Bersin & Associates, as much as 20 percent of corporate training is being conducted online, and as much as \$12 billion and \$14 billion of total training content, services and technology is now dedicated to e-learning.

Providing extra skills to employees leads to higher job satisfaction, which shows up in better corporate performance and business success. Taylor Guitars Inc., one of the world's largest supplier of acoustic guitars, has seen the results of online training since implementing Training4Business' CourseWare.

Employees at Taylor Guitars have completed more than 3,200 online courses, and what used to take production staff 90 to 120 days to learn now takes only 30 days. The efficiency of e-learning has saved time and money in both production and administration areas of the company.

For more information: <http://www.Training4Business.Com>