

## **Enhancing Training ROI:**

The Value of Individual Development Plans in Your Organization





What do paper clips, Scotch tape and Individual Development Plans (IDPs) have in common? They all have a tendency to get lost in some desk drawer. However, when an IDP is created only to be put away in some desk drawer with a Chinese take-out menu and dried-up highlighter, an organization is leaving some serious money on the table and may see some of its best talent walk out the door.

A Manpower survey revealed that one of the highest priorities for workers in determining whether they will stay with their current employer is opportunity for advancement.<sup>1</sup> By engaging employees in meaningful conversation about the next stage of their careers, you can help keep them working for you instead of your competition.

An IDP is the centerpiece of those conversations and is an essential tool for engagement, development and enhancing return on training investment—but only if it's woven into the fabric of dialogue between the individual and manager as a “living document.” Training directors must recognize the value of the IDPs and emphasize their profile if they expect to maximize training ROI.

This white paper will discuss:

- Why IDPs as they are currently executed are not meeting their potential to deliver performance improvement and create employee engagement
- The significant advantages that can be realized in your organization by transforming the IDP into a “living document” to guide a continuing development conversation
- Best practices that you as training director can use to bring IDPs to life in your organization, significantly enhancing your return on training investment

**Individual Development Plans** (IDPs) can create tremendous value for an individual, department and organization as a whole. Too frequently, however, they are created and filed away. Instead of delivering value, they become a waste of resources.

By transforming the IDP into a living document that guides both work and development activity, organizations can unlock tremendous value, including:

- Better utilization of training resources
- Higher employee retention
- More accurate targeting of development activity
- Enhanced alignment of development activity with business objectives
- Greater clarity of proficiencies to be developed
- Enhanced awareness of on-the-job development opportunities
- Increased application of learned skills

By keeping a few simple best practices in mind, organizations can realize these and other benefits from the IDP process. This white paper will show you how.

## PLANNING FOR PERFORMANCE OR PLAYING CHARADES?

Development experts Beverly Kaye and Julie Winkle Giulioni noted in a recent column, “In too many environments, the IDP has lost its heart. Managers who survive the extensive and complex process often feel like they’ve done their career development for the year.”<sup>2</sup>

The IDP process has become a dreaded once-a-year chore. It’s an exercise of filling out forms and checking boxes. The performance objectives are all too often nonspecific and crafted to sound good. Feedback is equally generic and canned. The necessary forms are signed off on and submitted with a wink and a nod with the sentiment that “We all realize this is pointless and stupid, but HR makes us do it anyway.”

**This is a lose-lose proposition for everyone involved.** Individuals lose the opportunity to develop in their skill set, enhance their satisfaction in their current position and advance in the organization. The manager loses out on the opportunity to keep key talent engaged and improve the performance of his or her department. The organization loses out on the considerable investment in creating the IDP system, productivity while creating the IDP and the chance to rerecruit its talent.

## REDISCOVERING THE VALUE OF THE IDP PROCESS

The IDP creation process is an essential tool for organizations to generate a maximum return on training and development investment. An IDP turns a plan on paper into a “living” learning and development path based in relevant context for the learner.

These learning paths chart a course of development for an individual and then measure progress against those stated targets on a regular and continuing basis. These “learning paths” identify specific training and development opportunities that are relevant to the associate’s goals, strengths and weaknesses. They are living documents, to guide the conversation and activity around an individual’s development.

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*“In too many environments, the IDP has lost its heart.”*

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### Legacy IDP Creation Process

- ✓ Reset password from last time you went into IDP system 12 months ago
- ✓ Log into HR system
- ✓ Review performance goals from last year
- ✓ Provide generic feedback on last year’s goals
- ✓ Set generic performance goals for coming year
- ✓ Check some boxes on a form
- ✓ Submit to HR
- ✓ Forget it until next year!

<sup>2</sup> Beverly Kaye and Julie Winkle Giulioni. “IDP: Individual Development Plan or Impediment to Dialogue and Process?” *People & Strategy*, 35-3(2012).

IDPs can be completely individualized or utilize preexisting learning path templates, including training certification programs and management training programs. Encouraging associates to identify training opportunities is essential for adoption and buy-in. It also helps managers increase employee engagement and open the door to conversation about performance improvement and goals.

Organizations utilizing formal IDPs can enjoy significant benefits in terms of increased performance, reduced turnover and higher employee engagement, all of which lead to better results for the organization. For example, as a result of its IDP program utilizing learning path and certification programs, Jiffy Lube has seen consistent reduction in turnover over several years with a drop of more than 50 percent in some markets.<sup>3</sup> This makes a significant difference in an industry where 100 percent annual turnover is common.

A Manpower survey revealed that one of the highest priorities for workers in determining whether they will stay with their current employer is opportunity for advancement.<sup>4</sup> By engaging employees in the conversation about the next stage of their career, you can help satisfy the desire for advancement, even if a new position is not presently available. Your employees can know they are investing in their advancement opportunities today, which will keep them engaged.

Living IDPs will also increase your employees' utilization of the learning resources that you have made available by preselecting training programs for each employee. One of the paradoxes of providing a wide range of choices is that it can make it more likely that an individual chooses nothing.<sup>5</sup> Conversely, an IDP or learning path can help the individual concentrate on the specific training objectives that will most contribute to his or her development and growth, thereby eliminating the challenge of having to choose from a huge range of development options.

Finally, an effective IDP puts the individual's day-to-day development activities into context by helping the employee regard the current position as an important opportunity for developing and practicing key skills that will prepare the employee for the next stage of his or her career. This brings greater meaning to the employee's current job duties and increases engagement levels.

<sup>3</sup> T+D, October 2011.

<sup>4</sup> [www.prweb.com/releases/2011/10/prweb8904628.htm](http://www.prweb.com/releases/2011/10/prweb8904628.htm)

<sup>5</sup> Iyengar, Sheena S. and Mark R. Lepper. "When Choice Is Demotivating: Can One Desire Too Much of a Good Thing?" *Journal of Personality and Social Psychology* 79-6 (2000): 995-1006.





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