Raising the Corporate I.Q.
A Little Corporate Understanding Goes a Long Way

If you were to ask every employee in your organization, how many of them would fully understand the services delivered by the company? Would they understand to the same degree that you, the owner or CEO, does?

For many organizations, the answer to this question is, at best, "not completely" or "some do." Yet lack of knowledge and understanding of the company products, services and key terminology can create major drag on overall productivity and profitability.

Sure, there are always a few experts that are capable of a thorough explanation of the products and services sold. Usually this knowledge is found with the company designers and creative staff and hopefully it is passed on to the sales team.

But no matter how well-trained company personnel may be in their respective fields they commonly have a less-than-complete understanding of the company's products and services. Obviously this applies to new personnel but it is remarkably common amongst long-term employees as well.

So is it any wonder that coordination issues and conflicts would occur as these employees interact with clients and make important decisions relating to the product and each other, with less than a full understanding of these basic company fundamentals?

A winning team understands the full game and their relationship within that game. Accomplishing that is the game of raising the "Corporate IQ". The path involves attaining a broad understanding of the company services and how the whole fits together.

Pacific Outdoor Living, a Southern California company with over 100 employees, took this path to boost their business of selling and installing waterscapes and landscape features.

For Terry Morrill, the CEO of Pacific Outdoor Living, making sure that his entire staff is on the same page was critical to his company's future success. He took the bold step and decided to utilize an e-learning training platform with the aim of raising the "corporate I.Q." of his organization.

"We had a real problem getting employees to really grasp the basic nuts and bolts of our business," he said "In our case, they really needed to know what gross profit was, for us, and what the cost of goods was and how these concepts relate to the waterscapes we create."

Morrill had in the past attempted to train his employees on these issues with a seminar approach—having a group of employees addressed on a particular subject at a particular

time. But he quickly discovered that there were major shortcomings in relying solely on this type of approach.

"The problem with training a group of people all at once is that you can lose two, three, or half the room, and the speaker won't necessarily detect that the training isn't impinging," he said.

Morrill discovered a new approach to employee training that, for him, broke through the barriers. "We're now able to educate our crews on exactly what our products are and how they work. This solution has made it much, much easier for people to understand how to manage their areas better, and how it all relates to their bottom lines," Morrill said.

The solution Morrill discovered was a software product called Ability Manager, created by Real Ability (www.realability.com). This solution is installed on the company's servers, and involves a combination of custom-tailored e-learning, surveys, exams and inspection components designed to bring an entire company together and on the same page.

Ability Manager goes well beyond a simple e-learning application or learning management system, which is why it worked for Morrill. He knew he needed a solution that delivered more than just dishing out company data and policy to his staff. He was looking for something that dug deeper and would get his staff to actually understand policies and what the company was all about.

Two things stood out for Morrill, one was that this platform allowed him to break down information into absorbable chunks and two, the built-in monitoring interface that made it simple to manage the training process.

Also there was a "pre-step" that really impressed Morrill, the surveying to pinpoint employee understanding and to locate gaps. This not only cut down actual training time but was highly effective in defusing employee resistance – focusing on learning things they actually needed to learn and not things they already knew.

For example, one thing that Morrill uncovered in the survey process related directly to his bottom line, as it dealt with his employees' interpretation of gross profit. "We found that there was a specific confusion on the subject with many of our staff," Morrill said. "It made an enormous difference to get this straightened out for everyone."

With the installation crew, the change was astounding. Personnel realized that instead of pushing for a high number of overtime hours, they would make more money by helping the company make more money—which meant getting the jobs completed rapidly and correctly.

With initial training success in hand Morrill continues to use the Ability Manager platform throughout Pacific Outdoor Living to further expand employee understanding and teamwork. One notable feature of the software is that it presents information and then follows it with a question to determine that the user actually understands the material. If the question is answered incorrectly, the employee is asked to re-study the relevant information and is queried again. The system makes the job simple for an administrator to repeat the process until the employee really comprehends the material.

Morrill loved the fact that the real-time monitoring feature made it easy for the company trainer to readily see who was in fact making it through courses and thus eliminating the earlier problems he had with employees "drifting off" in seminar-style presentations.

Now steadily completing about 150 "bite-sized" courses a week the Pacific Outdoor Living employees are enthusiastic about their personal training. Morrill, seeing the benefit to his company, now even provides incentives to those who complete the most training. Even those employees without computer access can take advantage of the program with special sessions set up for their benefit.

"This method has been very effective for us," Morrill said. "Our staff now understands through the training that the more production that occurs, the more pay they can get. It's a win-win proposition on both sides of the equation."

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