

Job seekers take note:
Things are looking up ... finally.

Waiting to Exhale

Let's not kid ourselves: It's been a rough few years for the economy. The twin challenges of the dot-com bust and the 9/11 attacks sent most companies into survival mode: laying off employees, cutting back on costs, and just trying to come out of the recession in one piece.

That made things doubly challenging for the American worker, for whom it has been a pretty horrendous time as well. Those who had jobs clung to them for dear life; those who didn't often searched for months without any nibbles at all. From the employment peak in early 2001, millions of jobs were lost.

The training industry, unfortunately, was no different. In fact, it bore the brunt of the recession more than many other sectors, since training and development programs were seen, if wrongly, as expenses that could be trimmed back in a crisis. Firms often just didn't have the luxury of anything other than the very basic bottom line. "One client told me, 'Other than my mortgage, I've kept you guys right up until the last minute,'" recalls Steve Wolever, chairman of hotel industry specialists Signature Worldwide in Dublin, Ohio. "But then he finally had to cut us. Many clients were in a truly desperate financial situation."

But now—knock wood—jobholders and job seekers can finally exhale, because the economy is turning around. Not as quickly as many would like, but steadily. And it's already been affecting the business of training firms, which are getting more and more calls and contracts with every month. Indeed, many are reporting solid 15 percent growth this year over last, and are using the bounty to hire more in-house staff and to expand their network of associates as well. "We're getting calls from clients who've had our name for years," says Karen Stinson, CEO of diversity specialists ProGroup in Minneapolis. "They're telling us, 'We finally have a budget for this. What can we do together?'"

By Chris Taylor

Just look at general economic indicators for hints of what's to come. Firms reported record earnings of US\$157 billion, a record increase and a record dollar level. Corporate profits are up 25 percent in the last four quarters, and budgets are up around 7 percent for 2005, almost double what they increased during the lean years. Many companies have so much cash on hand, they barely know what to do with it all—like Microsoft, which recently announced a huge dividend for shareholders in order to chip away at its huge cash hoard.

For job seekers, the news is improving as well, although it's certainly not red-hot quite yet. Dating from when the labor market bottomed out, 1.3 million jobs have been added. Unemployment, meanwhile, has dipped from 6 percent last year to 5.6 percent thus far this year, and is projected to fall to 5.1 percent in the next few years, according to projections from the Office of Management and Budget.

Workforce consultant Roger Herman says you can tell that things are turning when you look at unemployment rates for individual communities. Of the 51 metro areas of one million people or more in the United States, 47 reported lower jobless rates in June 2004 than a year earlier, and 194 out of 274 metro areas had employment increases in the last year. Places with the biggest job bounces: Washington, Phoenix, Las Vegas, St. Louis, New York City, and Atlanta.

The training sector: a rosier outlook

But what about training and development specialists, specifically? In its long-range forecast, the Bureau of Labor Statistics predicts a 27.9 percent increase in jobs for the sector between 2002 and 2012. And in a recent survey conducted by this magazine, 55 percent of respondents felt that the job market for workplace learning and performance jobs is already rebounding. The result? A full 88 percent, perhaps restless from years at the same position, plan to change jobs within the next three years.

 **"T+D Survey: What You Say About Careers,"**
(July 2004 T+D).

This budding movement is borne out by job site Monster.com's tracking of occupational categories with the largest increase in online postings. One of the hottest? Education and training. It doesn't surprise Michael Parbs, senior VP of Saddle Brook, New Jersey-based employee-staffing firm Ajilon, who has his finger on the pulse of what companies are desper-

ate for. "With an influx of employees like many companies are experiencing, you have to train them," he says. "And that trend is only going to get stronger with a stronger economy." Just take a look at the ASTD Job Bank, which recently reported the highest number of postings since it started in 2001.

 <http://jobs.astd.org>

You don't have to tell Kelly DeCesare about the improving outlook. DeCesare recently secured a position as director of training at Jenkintown, Pennsylvania-based Brody Communications, which specializes in presentation skills and business etiquette. She has advice for those in the field: "Don't let other people's perceptions of the job market get into your head that there's nothing out there." DeCesare, whose firm counts 20 *Fortune* 100 firms among its client base, says, "It can become a self-fulfilling prophecy. People feel safer being pessimistic, but the right opportunity might be out there for you."

In fact, even when the economy was at its worst point a couple of years ago, DeCesare still managed to land as director of training at Fiserv. And while things were bleaker then, this time when she went searching, "I really found quite a wealth of job opportunities in the training field," she says. They may not all have been top-tier—postings were far more frequent for mid-level specialists instead of executive-level supervisors, for instance—but the overall numbers surprised her.

She didn't even have to go through an executive search firm; she simply did some searching on HotJobs.com. That's one tip she has for job seekers: Always keep an eye on what's out there, even when you're completely happy at your current job. It might point you to new trends in the field. DeCesare noticed reams of postings for instructional designers, for instance, those who assemble course materials but might not deliver the actual training themselves.

And here's a nice bonus: Salary figures are starting to pick up, too. After a year or two of historically low raises, a top executive in organizational development makes a median base salary of \$116,400 and a median bonus of \$17,700, with a projected increase of 3.8 percent in 2005, according to Salary.com. A manager, meanwhile, makes a median \$75,300 and a bonus of \$9000, with a 3.7 percent increase to come.

Hot skills: reports from the field

What exactly are hiring managers looking for these days? Meet Linda DeBerry, managing director of hu-

man resource development for shipping giant Federal Express. "It's hard to find people with skills on the technical side, familiar with designing media-rich kinds of training," DeBerry says. "Also, to find people with the measurement focus, who can look at the results of what you're delivering. Very tough to find, and most of my peers would say the same thing."

While FedEx didn't cut back on core training during the tough times—like handling customer contacts, for instance—it did jettison some optional programs, along the lines of *7 Habits for Highly Effective People*. But demands on DeBerry's time are ramping up again. Recently, a number of managers retired, requiring fresh training for those who took over their roles. The company has also boosted its online offerings, with more than 700 e-learning courses. And, it has changed its delivery model: Instead of bringing everyone to headquarters, specialists usually go into the field themselves, eliminating travel costs for participants.

So, which of your skills should you highlight on your résumé to tempt hiring managers like DeBerry? Practitioners report that diversity and leadership training are particularly hot at the moment. "Those are the two tracks that organizations are calling us about," says Stinson. Leaders are adjusting from a purely cost-control environment to a growth-oriented one, which requires a different skill set, as the economy picks up. At financial institution Washington Mutual, for instance, they've refined leadership training to a fine art. Participants engage in action learning models: "You learn a new idea, and you apply it immediately to a project you're working on," says Linda Clark-Santos, senior VP of talent at the Seattle-based bank. "It's a very exciting approach."

E-learning, too, is a sizzling skills area, since it allows a company—as FedEx did—to bring a wealth of training options to employees at relatively low cost. But the real trend is toward trainers who have the skills to blend the online with the in-person, a combination that can lead to more effective results. "We've pulled back from totally computer-based training and gone to a more blended approach," says DeBerry. That means versatility, the ability to multitask across different skill sets, is key when hiring managers are looking at résumés. "A composite professional has to have a good grasp of design, and they also have to have the ability to deliver," says Clark-Santos. "There has to be both."

Another area that's heating up is mentoring programs, which Stinson sees as directly related to the prospect of turnover. With the job market improving, recruiting and retention consultant John Sullivan, of San Francisco State University, predicts that average turnover rates for professional jobs could more than double next year. And one way that companies look to reduce the impact is by establishing a network of mentoring relationships that will improve employee loyalty. "People are going to start looking around now," says Stinson. "Clients want to implement mentoring programs, so they can keep their top people."

That's a smart move. Recruiting firms are seeing a major uptick in business, another reliable bellwether of an improving economy. Search firm DHR International, for instance, is estimating a 40 percent revenue boost over last year, which means plenty of companies are eager for top talent. "Mark it on your calendar, February or March of 2005 there will be another war for talent," says Sullivan.

Ajilon's Parbs agrees, adding that the increase in jobs across the board is going to have beneficial effects for the training sector. Every new batch of employees is going to have to be familiarized with company codes and processes, and training departments will have to be bulked up to handle the load. The firm recently invested in a state-of-the-art training facility in Cincinnati, to which they bring employees from around the country for various programs.

Parbs says staffing firms like his are the "leading economic indicators" of a coming boom, so when Ajilon starts staffing up and increasing training budgets as it is now, other companies will soon follow. Washington Mutual, too, has invested in a top-notch training facility, a 107,000-square-foot center near its headquarters that has "brought the learning function to whole new levels," says Clark-Santos.

The other factor that bodes well, Parbs notes, is that employees are beginning to realize that the job market is swinging in their favor. And as such, they're getting pickier in terms of what they expect from a new company—and what they expect are superior professional development programs. After all, accord-

"It's hard to find people who are familiar with designing media-rich kinds of training."

ing to the Society for Human Resource Management's Benefits Survey, 93 percent of firms still offer training programs for employees, even after all the recession-related cost-slashing.

In-house or outsource?

So companies are hiring, finally. Many don't even announce the fact, says SFSU's Sullivan, since Wall Street doesn't often take kindly to those who are bulking up their staffs; he knows a handful of consulting companies that have each hired "thousands," but have kept totally silent about it. In the training field, then, is this hiring taking place in-house, or are firms bringing in external help on a per-job basis?

It's a mix of the two, apparently. At large firms like FedEx or WaMu, with significant resources and a company culture they're eager to promote, training remains largely in-house. "We tend toward the internal, and we're running at full capacity right now," laughs DeBerry. But across all companies, in-house positions may prove harder to come by, while demand for external "associates" may be far more plentiful. That's because during the lean years, many companies altered their business model to survive, reducing their staff to a core group and bringing in subject experts for particular projects that came up. "Many mom-and-pops have had to go to the outside," says Parbs. "Outsourcing is still a very strong trend."

"We learned the hard way," recalls Karen Stinson. "We had to lay off about 20 internal trainers, but we kept most of them as external associates." That new structure has proven very successful for ProGroup—about 25 highly skilled staffers run the operation, paired with a much wider network on the outside—and isn't likely to change any time soon. The same structure is key for Ann Parkman, president of the Center for Effective Performance in Atlanta. "We use contractors extensively, and it works well for us," says Parkman, whose firm designs solutions to improve employee performance. "It keeps our permanent fixed costs down, but we can still bring in all the expertise we need."

Job seekers might find that firms themselves are becoming more versatile in the subjects they cover, too. It's a shift that's borne of necessity: As the recession took hold, companies morphed in order to survive. Hotel specialist Signature Worldwide, for instance, branched into other sectors when the travel industry was hammered. Much of its growth, ironi-

cally, has been in heavy-equipment manufacturing, like Caterpillar and Bobcat. Atlanta's CEP, meanwhile, swung away from public workshops because people weren't keen on traveling to venues anymore. Instead, it focused more on consulting services for companies, an area that wasn't hit quite as hard.

That reflects a larger trend, of ongoing training programs replacing one-off sessions. Not only does it lead to better results for companies, it creates an extended income stream for trainers. "It's not just a training day anymore," says Signature's Wolever, whose firm plans on hiring 15 additional trainers to handle the increased workload. "There's reinforcement, there's coaching, there's mystery shopping, all ongoing. Clients are looking for someone to take on those responsibilities for them."

One key for job seekers in presenting themselves and their skills to a potential employer: Show them the money. More than ever, both clients and training firms themselves want to see a direct correlation between the work you do and the dollars it can bring them. The return-on-investment ethos gained sway during the recession, and that hasn't changed since.

The same goes for those who are applying for training positions. In fact, that's part of the reason why Brody Communications' DeCesare has had little trouble ever finding work in the industry. "That's one weakness I see a lot on résumés," she says. "It really helps if you've had profit-and-loss responsibility, and understand managing a budget. It makes you more versatile. Not only can you come in and just deliver training, but you can contribute to the business side as well."

One last tip for the job hunter: Brush up on what DeCesare calls the "lost art" of interviewing skills. Since many employees have stayed where they are for four or five years, given the dearth of job options out there, they haven't had to sell themselves for a long time. "People defeat themselves into thinking there's nothing out there," says DeCesare. "But that's just not the case."

Chris Taylor is a freelance writer in New York City.