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business intelligence

Better Than Six Sigma?

When your workers are lagging in productivity, and your overall business is on the verge of crumbling, many a training consultant will point you in the direction of Six Sigma. This business process improvement methodology is doubtless in vogue, and who can forget how much Jack Welch loved it when running GE?

But there is at least one alternate formula companies can try out that actually predates it. That's Multivariable Testing (MVT), says Charles Holland, Ph.D. and the founder, chairman and CEO of Knoxville, Tenn.-based process-improvement consultancy QualPro (www.qualproinc.com). Like Six Sigma, MVT is a statistical method for improving business process, but where Six Sigma typically only uses the improvement ideas of a small pool of people to plug into its mathematical formula, MVT pulls ideas from the entire organization to test. Holland, who first applied MVT in the late 1960s while conducting research on the atomic bomb, says it is the way that MVT involves the entire company, rather than just a tiny circle of executives, that makes it superior. MVT, Holland says, was first used during World War II by the British to improve accuracy in shooting down German warplanes.

The first step of MVT is to state your business problem or challenge, such as the need to improve sales or enhance product quality. From there, start brainstorming. "You get suggestions from everyone who could possibly have any worthwhile suggestions about what you can do to make it better," explains Holland, also the author of Breakthrough Business Results with MVT. This call for ideas will typically result in as many as 100 to 200 possible answers to your problem. It's especially important to get ideas from those closest to the work, which means, that in addition to asking managers for ideas, you would also ask, for example, in sales, the front-line employees as well as customers and even potential customers. The question is as short and simple as, "What can we do to make [sales] better?" Holland asserts. "What surprises everybody is that the good suggestions, the ones that, when tested, turn out to help, are just as likely to come from any level in the organization."

After the ideas of all are rounded up, they are categorized into those that are "practical, fast and cost free," and those that are not. For example, ideas that can't be implemented for a year would not be viable. And, those that frontline workers say would make their jobs harder, would also be tabled, as would thoughts like, "Why don't we increase our advertising budget three-fold?" The ideas the company has determined to meet those three criteria are then each plugged into software, such as that sold by Holland's firm, that uses statistics to generate as many different combinations of potential solutions as possible. In other words, the software takes the individual ideas and combines them into different solutions, or what Holland calls "recipes," that can be tested. One solution, for example, might include a few people's ideas. Once you've tested the ideas out, another portion of the software performs an analysis of which ideas were most successful as well as projected effects of instituting the solution long-term.

"You harvest the creativity of the entire workforce," Holland says, "instead of a select few."

best practices

Nonprofit Does Much More with Less

Unlike many organizations, Philadelphia-based Special People in the Northeast, a nonprofit for people with disabilities, measures productivity in terms other than money. This translates into a keener eye for workforce production, which is measured in terms of service to clients. The agency provided 54,000 more hours of service in 2005 than in 2004, with two fewer employees.

Special People in the Northeast ranks #20 in the 2006 Training Top 100, Training magazine's annual ranking of organizations that excel at training and development. Look for more information in our March issue on what corporations made the grade in the 2006 Training Top 100. This annual ranking is determined by assessing a range of qualitative and quantitative data, including financial investment in employee development and how closely training efforts are linked to business goals. More information on the Top 100 is available at www.managesmarter.com/msg/resources/cp/top100.jsp



Apria Healthcare selects Eedo Knowledgeware

Nashua, N.H.-based Eedo Knowledgeware, a provider of real time learning and knowledge system software, has announced that Lake Forest, Calif.-based home healthcare products and services provider Apria Healthcare has purchased Eedo's Learning Content Management System, ForceTen, to deliver learning and training to its 10,000 employees.

NIIT Global Acquires Element K

NIIT Global, a learning and knowledge solutions provider based in Gurgaon, India, has acquired Rochester, N.Y.-based Element K, a provider of learning solutions. Together, NIIT and Element K will have more than 3,000 employees, more than \$250 million in revenue and a presence in 32 countries.