



## **Two Case Studies When Training Professionals Begin to Manage Vendors**

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### **Case Study #1 – Outsourcing Service Technician Training Setup and Investing in the Process**

During a period of rapid growth, Apple Computer's Australian operation was facing the challenge of training and certifying the number of technicians needed by resellers and service agents to provide a high level of service to customers nationwide. Australia's population is approximately the same as New York state's; geographically, however, it is close to the size of the entire United States.

At the time, I was the reselling channel training manager for Apple, and was facing other internal challenges. The three service trainers had been cut back to two, and there was pressure from headquarters to cut that to one, so that the second trainer could focus on meeting the increasing need for networking courses. Both trainers were highly skilled and experienced, and enjoyed the work, up to a point. However, they were having trouble keeping up with the demand. Moreover, providing national coverage required a traveling road show. Each course presentation required shipping and setting up 40 to 50 large boxes of expensive equipment.

The trainers were approaching burnout, and their increasing frustration with the workload, making it impossible to update the materials to reflect the current product range. Clearly, an outsourced solution needed to be considered. But who would be the best vendor to provide the training, and what would be the criteria used to select the vendor?

The potential candidates would need to have national facilities, have a good technical understanding of computing and repairs, instructors available, and a solid reputation. In addition, the company to be selected needed to be independent of what was then a volatile reseller channel.

At the same time, Apple was also outsourcing the specialized servicing of components to deal with the increasing volume of servicing needs associated with the rapid increases in sales volumes. The company that had been selected as Apple's national service provider, which will be referred to here as Amalgamated Radio and Electronics of Australia (AREA), was also a potential solution for solving the service training logjam.

Because Len, the service trainer mentioned earlier, would be the one to manage the program, I wanted to be sure that he was part of the process relatively early. So Len was brought into the discussions, and was assigned to help set up the criteria and assess AREA for suitability as a training and certifying vendor.

In spite of clear burnout, Len was initially quite skeptical and resistant to the idea. For him, letting go service training was like selling the family jewels. Issues of quality, credibility, cost, control and suitability were raised. AREA was nothing like Apple. They were a large, long established electronics company, and moved at a different pace. The culture was gentlemanly (in the true sense), conservative and, in contrast with the brashness of Apple, a little modest. Also, unlike Apple, their managers wore suits and ties.

As the services management team looked more closely at the criteria, we realized that the national service provider did not need to be like Apple. That was not what the customers were seeking. The customers wanted to be able to take their computers in to a reputable, national company, and have them fixed reliably. Indeed, Apple's own culture may not have been able to give the customers that experience for repairs. Large business customers respected the soundness and reliability of AREA.

We still had some concerns that AREA may have been more oriented to the Windows™ personal computer (PC) platform, rather than Apple's Macintosh system. Although this was not a problem for the service part of the outsourcing, the training side was a different story. As well as just covering the technical requirements of the training, Apple needed the service trainers to be advocates. After all, the technicians being trained were from Apple's own customers and resellers.

So there were two levels of "courtship." The first was when Apple and AREA "wooed" each other for the broader, partnership. In the second, Len and AREA's Training Department got to know each other (like cousins meeting for the first time).

Len began working with his point of contact in AREA, the technical training manager. He found a somewhat kindred spirit who related to his own knowledge base, issues and priorities. Len's comfort level increased, his enthusiasm grew, and he found that he now had time to develop and update the materials. He even initially enjoyed some of the "management" aspects of the role that he had previously been quite disparaging about. His one concern was that his contact in AREA was more oriented towards PCs than Apple's product and system.

As the program got underway, internal staffing issues and turnover within AREA made Len's task of managing the outsourced service training much more of a challenge than had been anticipated. Quality issues with the training delivery, the result of unfamiliarity with the system, and logistic problems with the equipment-intensive road show component led to a much greater involvement by Len and made demands on his time. The "arms length" program management problem-solving aspects were unwelcome and demanding for him. In retrospect, I see that I owed him more coaching and preparation for dealing with these issues.

## **Lessons Learned**

The key lessons of this exercise for me were these:

1. An outsourced vendor does not have to have the same culture or look and feel of the company that is outsourcing. In this case, the key criteria were "reliability," "reputation," and the capacity to consistently meet standards service levels.
2. Where the outsourced training vendor is dealing with your customers in the classroom, it is important that they be willing to embrace and be an advocate for your company's product. This is a key element, and needs to be built into the agreement.
3. The process of assisting the transition of a professional or specialist from individual contributor to the role of program manager requires care; it also requires involving that person in the decision-making process for him or her to have more of a stake in the outcome.
4. When assigning a training professional to take on program management, the most crucial areas for coaching and preparation are in the skills and patience required for ongoing management problem solving.

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## **Scenario 2 – Contracting Development of Train-the-Trainers Balancing Qualifications and Chemistry**

The U.S. sales operation of Apple Computer needed to boost training for its channel. The CEO had a strong sales orientation and actively spent time in the field, visiting resellers. One of the key messages he brought back from one trip was, "The resellers want more leader-led training on our product." Apple had a strong contingent of field trainers who could potentially deliver this training, but in many cases their skills were focused around delivery, rather than development. Apple needed resources to create a train-the-trainer program to quickly equip the field trainers with a course and set of materials to redeliver to the reseller channel, and to Apple's own field sales force.

Apple had already established outsourcing on other training projects; however, this project was the first time a project of this size had been done with this methodology. This high-profile, high-gain, high-risk project was accompanied by many unknown factors to anticipate, as will be shown.

Although Apple's own training department had a development team, these resources were mostly busy on other projects. Moreover, the development team did not have a charter to deliver training, just to develop materials, and most of the trainers from other groups in the department were deployed on other tasks. Finally, some specialized expertise was needed both to develop materials and to train the trainer, to embody the specific messages for each quarterly focus, and to act as the guru on the project team.

Most of the technical resources, or subject matter experts (SMEs), belonged to another Division in Apple, one with a worldwide charter that focused on the development of a compact disk sent out quarterly with information for Apple's field sales force. The SMEs were not available to join the project team.

For these reasons, engaging an experienced training consultant was the answer. It was not cost-effective to hire as an employee a person with this level experience, nor would Apple have full-time need for these particular skills. There was also the other value that consultants bring: Not being part of the internal credibility chain, they are judged on their own merit.

We now meet Ruth, the Apple training professional chosen to lead the project. She was a strongly qualified instructional designer, with a solid career in the concepts of development and evaluation of training. She previously had engaged and managed contractors; however the more formal processes required in this setting (requests for proposal [RFPs], contracts, selection processes and project managing consultants) were relatively new territory to her. Being something of a free spirit, Ruth did not warm instantly to "processes and procedures." However, she quickly saw the value of a more structured approach and then eagerly accepted guidance.

A good database of training vendors had been built up, so we used that as a starting point. The potential candidates were quite diverse and it was clear we needed to set some specific criteria based on the job to be done and the internal people that would form the team.

Candidate 1 (Keith) had long been a favored advisor and sales training consultant to Apple. Could we just go with him? After all, he had loads of credibility with the field sales force, and really knew the product line, the technologies and competitive sales messages.

Candidate 2 (Carol) also had a history with Apple, in sales and presentation skills as well as organizational effectiveness training. She had a good understanding of the Apple product and sales model, but was perhaps a little light on technical depth.

Candidate 3 (Peter) had done a good deal of technical training for Apple and had also developed technical training materials. He knew the Apple product well, and had strong technical depth and credibility. His delivery style was more in line with technical delivery rather than around sales messaging.

Candidate 4 was a national technical training company, and our point of contact was initially the CEO. They had excellent in-house expertise and an established infrastructure for developing training and creating a "made to order" train-the-trainer program. However, most of their business was around the Windows platform.

As I began working with Ruth, it soon became clear that she had firm views about the type of person that she felt she could work effectively with. She was strong on her position of the type of person she wanted as the external consultant on the team, and who would not be a good fit. This is where the "Soft C's" came into sharp focus. Would it make sense to engage a vendor to be an

integral team partner strictly on the basis of qualifications or strong credentials, when the designated project manager had a strong preference based on team chemistry?

We constructed and prioritized a set of criteria that embraced chemistry and culture. At the same time we created a detailed and thorough RFP. The process of doing these served more than one purpose. It was a vehicle for coaching and for focusing our thinking. It also served as a roadmap for the project and for transition, given that Ruth would be taking extended leave part way through the project. It was important that the selected vendor be able to work effectively with whomever her replacement project manager would be. Because this was a high profile project within the company, so it was critical that the work be transitioned smoothly.

As the project got underway with the field trainers, it was clear that, while Carol was excellent in every other aspect, she did not have sufficient technical depth for the content details required, as well as for credibility with the audiences. The project team, including Carol, approached Peter (candidate 3), who did have the technical depth. Because Peter felt very comfortable about how he had initially been advised with care and dignity that he had been unsuccessful in the initial round, he willingly joined the team and did a great job.

The adventure continued. As the project further evolved, many new factors were uncovered, and it became clear that the original plan to have Carol and her partner deliver nationally was not the best approach; a major rework of materials and format was required. Although it was like converting a 747 passenger plane to a Concorde in mid-flight, Carol and Peter excelled. They demonstrated tremendous partnering attitudes, as well as the resilience to respond to the 180-degree turn they were asked to make. This response was a strong validation for their selection.

Ruth since has moved from Apple. She has continued to work very successfully with Carol on similar projects in other companies. There is much to be said for taking into account "established chemistry." The greatest benefit is that the two parties understand each other, and effective communication about job requirements can take place in a much shorter space of time. After all, it really does take time to break in a new vendor and get them to understand one's way of working

Recently, I asked Ruth's former manager to comment on this outsourced project. She said, "I was bent on finding processes to follow, so that we didn't spend so much time reinventing the wheel. I also wanted to make sure that we were making the right selection of vendors and not picking someone just because they were available." She added, "I definitely think that you need in-house project/program managers to act as the go between, keep the project on target and so on, and then buy the unique expertise you need for development. Team chemistry is extremely important here! The outsourced person needs to feel a part of the in-house team, and the in-house program manager needs to feel in charge of the program."

I spoke also to the project manager who took over from Ruth. She felt that the approach and procedures we had created really helped in being fair and thorough in communicating the requirements to the vendor candidates for the next quarterly round of training.

## **Lessons Learned**

The key lessons of this exercise for me were the following:

1. Chemistry and culture are just as crucial as qualifications and credentials. Neither is sufficient alone where the role is one of Team Partner.
2. Processes and procedures that are well structured and documented are of great value at the time of selection and engagement, as well as for capturing institutional knowledge essential for handover and later projects.
3. Projects may have elements and requirements that become clear only once the work is under way. If this looks likely, or if the environment is either in rapid change or has political uncertainties, it is important that a vendor be selected who has the resilience and adaptability to deal with changing job requirements.

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## **The Author**

Jim Everett has 25 years of experience in the United States and the Asia-Pacific in corporate training and development, management development, user-learning, reseller training, and national partner program management. Working mainly in the computer industry, he also has prior experience with manufacturing and the Australian federal government and as a senior consultant with Touche Ross in Sydney, Australia. Everett has engaged and managed consultants and vendors extensively. His formal studies include an honors level B.A. degree from Australian National University, specializing in management, communications, motivation, and work performance.

Everett and partner Jane Dixon founded California-based Endeavour Business Learning in 1995, and it is now Think180™. Based in Los Angeles, Think180 specializes in strategic consulting and training in both the delivery and the engagement of professional services, including training and customer support for leading companies in the computer industry.

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