Colorado's 2019 SBA Small Business of the Year, Tipping Point Solutions, is Changing the Way the World Learns

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CEOCFO: *Mr. Schmidt, according to the Tipping Point Solutions website, you are "Changing the way the world learns." How so?*

Mr. Schmidt: Tipping Point Solutions was formed in 2011 with a primary mission; to produce training solutions which offer an enjoyable and impactful learning experience that result in positive performance-based outcomes and a true return on organizational investment. To achieve this goal, we have devoted years in developing a unique client engagement strategy that allows our team to effectively identify and isolate the objectives most likely to achieve performance improvements. Another goal of the company is to identify compelling technologies and content creation methodologies capable of disrupting the way training is currently undertaken with the goal of dramatically improving a learner's overall comprehension and long-term retention.

CEOCFO: *Why is it so difficult to get training right?*

Mr. Schmidt: While there are many companies in the industry that offer training development, not all do a particularly good job in offering solutions that are impactful to the learner or end user. In most cases this is the result of the organization's failure to execute a comprehensive training analysis process. Too many organizations short circuit the front-end work of figuring out what objectives the training is intended to support and simply miss the mark.

As a result of our early observation of this shortcoming, we have involved a process to engage our clients from day one which exercises a discovery process to understand what challenges our clients are experiencing, and to identify what the critical objectives are that impact performance. You can build quality training, but if the training is not really focused on the right elements of what the organization needs to improve itself or to address inefficiencies, then the resulting training will have little impact.

We like to look at our analysis process much the same as process improvement programs like Lean Six Sigma. Understanding the critical areas affecting performance and targeting these areas in our training objectives have been shown to affect a 20/80 rule in impacting worker performance and productivity. We have learned that a small set of critical learning objectives, if taught properly, can have the greatest impact on performance and greatly maximize our client's valuable training budget.

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Much of the success that we have had, and our customers would probably echo this, has been starting off our projects with a discovery phase. The initial conversation at the kick off of a contract engagement is to explore the left and right parameters of what the customer is willing to embark upon in terms of taking an innovative approach, whether there are cost parameters that are limiting in terms of what we can and cannot do, and understanding who the client's target audience is. Going back to something we had said earlier; you can really miss the mark completely if you fail to understand your target audience and what it is they require of training. Sometimes customers may be people in their fifties that are trying to develop a training solution for people in their twenties. Therefore, you could go down the path of not having a good understanding of the age demographic and the nature of the positions that their work force has. This could result in products you develop going above or below the quality you want it to be for the target audiences.

Another area where companies often miss the mark is their inability to truly leverage technology and the types of content utilized in training to promote deeper learning. If you look at training models such as Bloom's taxonomy or differences between adult learning verses pedagogical learning, you soon discover that not every topic or audience benefits from the same training approach. Therefore, sometimes the 'one size fits all' approach just misses the mark. The point would be that even if you do a thorough job in being able to identify what training requirements you're targeting and start to build a product that is supportive of that, if you use the wrong method of instruction or tool for the job then you are not going to achieve the results you are looking for.

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CEOCFO: *Do you find that you often have to help a company figure out what they really want?*

Mr. Schmidt: Absolutely, yes! With every project or contract we embark upon with new customers, there is always an adjustment period where we need to work very closely with the client. Most often we find that they do not have experience with training development, instructional design, media, film and technology. There is a lot of early coordination necessary to walk them down the path of figuring this out, such as what it is they need to be focused on in terms of identifying the right training to achieve their organizational goals. As we coordinate, we identify what technology and delivery methods are best suited for being able to engage the learner at the point of need. Using the right technology, whether desktop or mobile platforms, virtual reality or augmented reality, computer-based simulation or interactive video, gives our learners an interactive and engaging learning experience which in turn produces a high return on investment for the organization.

There are so many different components as to what really supports quality training. Oftentimes, you find yourself working with customers that have had good experience in developing training solutions, but those experiences make them view things from a certain perspective that may not necessarily keep their options open to new and innovative methods. It may be a question of, "this is how we have always done it, so why change it?" and we have to work with them to try to see if we can move beyond that. In some cases, it is just strictly a technological limitation of the client in areas like an effective learning management system or IT architecture. Just the ability to understand how distance learning versus face-to-face facilitative learning could be a game changer for them.

CEOCFO: *Who is turning to you for services? What types, what size of companies? Is there a common thread?*

Mr. Schmidt: We have a number of government contracts with both the federal government, such as the VA and the Department of Transportation as well as a good number of contracts with the Department of Defense; eighty percent of our current customers are probably within the federal government. Although we have been around for over eight years now, the company has just begun to really take off in the past few years. A major reason for the recent rapid growth is based on our continued history of developing award-winning products. Almost every product we have developed, with minor exceptions, has resulted in an industry award.

CEOCFO: *Was it a deliberate strategy to focus on the federal government or more opportunistic?*

Mr. Schmidt: Before starting Tipping Point Solutions, I completed a twenty-year Navy career where I served as an Information Warfare Officer. It just seemed natural to go back to what I knew personally by seeking opportunities to transform areas I had witnessed in need of improved methods of instruction. My focus out of the gate was to support the men and women in uniform and develop products that support Soldiers, Airmen and Sailors; to offer things that I did not

see exist when I was in active duty. That is what set us on the path of focusing our attentions on the Department of Defense and the Veteran community.

It's typically difficult for organizations to crossover from commercial work to government work and we were fortunate to launch our company with government contracting from day one. We have received many different business classifications that support government contracting. We are a service disabled-veteran owned small business, designated through the Veterans Affairs, and we are also a Small Business Administration, Disadvantage Business, which is part of the 8A program. This is a nine-year program that allows the government direct access to the company based on our socio-economic status.

CEOCFO: *How do you stay ahead of both technology and trends in learning or trends in what people want to see when they need to learn something?*

Mr. Schmidt: It is about being well read. You go to industry forums, conferences and symposiums, and you subscribe to certain learning magazines and blogs. When I look at what is out there, the challenge many companies in our industry encounter is they try to chase after the shiny new thing to make their training products seem more modern and relevant, and as a result they often fail to evaluate whether or not that technology is actually of any use. Some years ago, we ended up looking into VR headsets as a result of having developed products that were offering our customers 360-degree video. You could basically look around in 360 and have freedom in the direction of your view. We tested VR at that time to evaluate how the technology could support this experience. Our experience led us to recognize that, in 2011, the technology was not yet ready for main stream use. You fast forward to 2019 and the technology has gotten so far advanced to what was in place eight years ago and is now emerging as a game changer.

In 2012, the cost of VR technology was expensive, which meant that products developed relied on a technology that only a small percentage or the market might have access to. It's important to look at technology with eagerness and see where it might actually provide additional value to training. Training developers need to be disciplined to recognize when an emerging technology transitions from being a novelty to offering a positive disruption to the overall training experience. Stated another way - It is important to be cautious when dealing with the application of technology in training and first look at it from a standpoint of whether it actually adds value to learners and whether it is capable of influencing positive educational and training outcomes more effectively.

CEOCFO: *How do you make those decisions? Do you look at the industry? Do you do focus groups? What goes into the decision process of what is right for any given project?*

Mr. Schmidt: We start with a client's training objectives. When we evaluate the application of technology by connecting its value against a deeper analysis of the training objectives, we can begin to determine if the technology truly adds value to the training. If you look at it and ask, "How could a simulation-based solution do a better job in teaching an audience this concept verses using another method of instruction?" then you're exercising the discipline necessary to connect the technologies value to your training goals.

There are many methods of instruction that are available, both face-to-face and online learning. You have to look at the technology from the standpoint of, "What does it do to really improve the learning experience, the ability to comprehend the information, and the ability for the learner to retain that information over a longer period of time?" If the answer to that question is that technology serves as a force multiplier, then by all means it is worth exploring. Another thing to keep in mind is that new technology is very often fraught with problems and there are many things to consider when you start to deal with emerging technology. Make sure it has proven itself before diving in head first.

CEOCFO: *As you continue to grow and attract more and more business are you able to ramp up as the business comes to you? How are you working on your growth?*

Mr. Schmidt: Three years ago, I probably would have had some reservations on whether we felt in a good position to scale and grow. I'm sure this is probably true of many companies. For us, we were just trying to build a steady foundation for the company and were not overly concerned with our rate of growth or whether in five years we were going to be a Fortune 500 company. We worked on an eighteen-month cycle of looking at our pipeline of what we had going on and then developed strategies for looking at how we could continue to grow the business in other areas. At the beginning we were simply trying to obtain our 10,000 hours of experience to define our place in the market.

About two years ago we changed our mindset and began to take a more deliberate and aggressive approach. This started with a comprehensive growth plan for the company, which has allowed us to look at a forecast and evolve our strategic goals so we can be more preemptive instead of reactionary. Many small businesses tend to look at their growth as, "It may happen to you whether you like it or not or it may not happen it all". Having a strategic plan and a well-defined growth plan goes a long way in establishing focus in terms of what we want to do.

CEOCFO: *What did you learn from your military experience that has been helpful in business; what to do and what not to do?*

Mr. Schmidt: The big thing right now is that there are so many different ways to influence training and the development of a workforce. Some options just does not work. One thing that is oftentimes missed is that we have a tendency, especially in the military, to put people through a twelve-month curriculum and teach them everything believed they are going to need to know. The problem is that by the time they get to their job assignment and finally apply that knowledge they have likely forgotten a large percent of the information they obtained in training because too much time has passed. There is most often no sustainment or refresher training beyond their initial twelve-month curriculum. I am a big believer in looking at training from a standpoint of providing it at the point of need and then providing workers with job aids and tools that can be utilized when they most need it.

It's really amazing how much we've become a YouTube generation of learners and how much the internet and smartphones have enabled us to acquire knowledge when we need it most. Training developers should take a page from this book and apply a similar approach. Complimenting institutional and self-directed learning through mobile technology apps and videos would have a phenomenal impact on equipping our military personnel with the tools they need to refresh knowledge and undertake tasks when they most need to.

CEOCFO: *Why choose Tipping Point Solutions?*

Mr. Schmidt: We recognize that there are many companies out there that offer training development services. One of the core tenets of Tipping Point Solutions is our superior customer service and the way that we approach our client relationships to undertake effective training analysis and impactful training solutions. Therefore, when we look at what a customer wants, we take a very customized and disciplined approach that fosters a cooperative relationship between our client, our client's stakeholders, and our client's end users or training audience. It is basically a question of who we are targeting that requires this training and being able to have a really thoughtful approach to determine what it is we are going to build so that the solution provides the organization real value.

Another valuable quality of Tipping Point Solutions is that we are not a one-size-fits-all company. We provide our clients with a deep understanding of a number of training methodologies, content types and technological training approaches we offer. This ensures our ability to accurately customize our training solutions to our customers' environment and organizational needs.