Hot topics

INNOVATIVE LEARNING AND TALENT DEVELOPMENT

Positioning practice for recession and recovery
The CIPD has in recent years provided a great deal of practice-based evidence for effective learning and talent development (LTD). In challenging times we want to provide knowledge and advice for practitioners under increasing pressure. Building on our annual Learning and Development survey report (published in April 2009) and our pulse-taking quarterly Labour Market Outlook (LMO) report, we wanted to do more. We decided to look at the issues around learning and talent development in a recession. We want to go behind the numbers and reveal some of the practical issues, problems and solutions and to share good practice across the profession. This report follows on from our report promoting the value of learning in adversity, which sought to equip HR professionals in the LTD area of our Profession Map with the capability to face the challenges to budgets and provision.

This report, Innovative LTD: Positioning practice for recession and recovery, is designed to equip LTD professionals with knowledge, skills and insight – not only for recession, but to fit with all phases of the business cycle.

Firstly, our research shows that while the environment is tough and testing, there is still commitment to investment in LTD from both organisations and the Government. LTD can, through relevance, alignment and measurement, promote its role as a key enabler for both resilience and recovery.

Secondly, the report suggests how LTD professionals can adapt their approach and take advantage of alternative means of training design and delivery.

We then set out some thinking on how LTD can prove its value by concentrating on: must-have training – which keeps the organisation compliant and operationally capable – added-value LTD – which builds in extra performance – and developmental training – which enhances the performance of the organisation and the potential of the individual.

It is also implicit in this report that effective and rigorous evaluation is a key capability for LTD. Our Promoting the Value of Learning in Adversity report should be read in conjunction with this report.
INTRODUCTION: TESTING TIMES FOR LTD

This report is aimed at senior practitioners with responsibility for LTD; it can be used by anyone in the learning and talent development area that needs to understand the key challenges and opportunities arising from the recession, but its wider scope is about how effective LTD should be tailored to company strategy and how it should fit with the business cycle.

Current trends: data from our surveys

Our 2009 Learning and Development (L&D) survey report and quarterly Labour Market Outlook (LMO) reports paint a picture of constrained LTD spending, driven by the weak job market and deteriorating business performance. Also, there is evidence of downsizing and reduced spending on remaining employees. In total, 70% of respondents say that their organisations have a specific training budget, a relatively mild decrease of 7% from last year. Employers in the private sector are once again least likely to have allocated budgets, with voluntary/community organisations and those in the public sector leading the way.

Training spend by organisations has fallen, mirroring reductions in recruitment. The median training spend per employee is £220, substantially less than 2008 (£300) and the previous two years (£272 in 2007 and £278 in 2006 respectively). While the budget per employee of organisations in the private and voluntary sectors has risen since 2008, the public sector has fared worst, falling to £127 per employee compared with £222 last year. Spending may fall further as the Government seeks to balance the books.

Budgets also vary considerably between organisations of different sizes. Smaller companies continue to spend more per employee (£417), while companies with more than 5,000 employees spend the least per employee (£125), reflecting economies of scale and superior buying power. It could also be complacency in some cases and reluctance to spend.

Further context is provided by the CIPD autumn 2008 LMO survey report, which was conducted at a similar time as the L&D report. This recorded a significant drop in the proportion of respondents planning to recruit employees over the next three months – 75% compared with the 86% recorded in the spring 2008 survey. The winter LMO survey (December 2008 – January 2009) indicates a further fall to 62% (CIPD 2009a). If recruitment drops, training spend is likely to follow suit because there is less demand for corporate training and induction modules.

The winter 2008–09 LMO survey report also indicates that cutting learning and development expenditure is seen as a way of avoiding redundancies by one in five of organisations (21%), which will no doubt have an impact on training budgets in the coming months (CIPD 2009a).

The items most likely to be covered by training budgets are external courses and conferences (64%) and the hiring of external consultants and trainers (60%), while salaries for in-house trainers are least likely to be covered (19%).

The view from the directors’ suite

While our L&D survey report is aimed at LTD professionals – who have an in-built bias and organisational preference for LTD – it’s worth looking at what senior people drawn from a non-HR background perceive is happening to LTD spend. In November 2008 the Institute of Directors (IoD) conducted a survey that encouragingly revealed that companies were showing a reluctance to cut spending on training and development, going against received wisdom that training budgets are first in line for cuts. Given that since November 2008 things have got decidedly worse in the economy, the IoD decided to conduct another survey of 937 directors in April/May 2009.

Half of respondents reported maintaining investment in training and learning over the last six months, while a third had actually increased their investment and only a fifth had pared back spending. Looking forward to their intentions for the next six months, the figures for maintaining investment increased, those reporting an increase fell to below a quarter, but crucially those expecting to reduce spending fell to 12% (IoD 2009).

Dr John McGurk
Adviser: Learning and Talent Development
The foregoing surveys give broad ‘snapshot’ data, affording some insight into the impact of recession on LTD. During June 2009 the CIPD conducted a web-based survey of 100 learning and development professionals to explore the practical impact of recession, both for in-house and external people working in learning and development. This was not an attempt to gather empirical data but to understand the issues behind the bald statistics. We wanted to find, firstly, what is happening to LTD spending and strategy, and secondly, to highlight effective and innovative practice.

Thirdly we sought to identify the steps needed to position the importance of LTD among organisational stakeholders. We explored four key areas in the research:

- the impact of the recession on learning and development
- the capabilities needed in organisations during the recession
- the role of learning and development in helping an organisation weather the economic storm
- changes/innovation in learning and development practice.

In the 2009 annual Learning and Development survey report, we looked at the impact of the recession on the activities of LTD. The data betray a big concern. Figure 1 indicates that while about 65% either disagree or are neutral about the perception that LTD is a ‘nice to have’, over a third think it is perceived in that way, and 60% overall of the sample expect LTD spending to be reduced. The pressures on LTD are considerable and the need to develop flexible and focused responses is crucial.

This report provides richer, deeper insight on these trends. Perhaps, not surprisingly, there is plenty of evidence of budgets being cut, training staff reduced and employees having less time available for development. Nearly half of respondents identified a cut in training budgets and/or reduction in headcount in the learning and development function. Our findings suggest three types of impact that the recession is having:

- heavy cuts
- refocusing and reprioritisation
- no impact.

Figure 1: In an economic downturn, learning and development in my organisation is considered a ‘nice to have’ rather than a necessity
What is concerning about this is that line managers are unlikely to understand the potential benefits that LTD can make, let alone see that it makes a fundamental contribution to organisational performance. Where this is the case, learning and development professionals need to make sure that any provision is clearly aligned with organisational priorities and is robustly measured to ensure that it makes an appropriate/agreed contribution.

**Refocusing and reprioritisation**

In some organisations LTD has thrived because it has been seen to deliver. This was reported in those organisations where the focus is on delivering LTD more cost-effectively and flexibly, and there is evidence of this flexibility and agility.

‘Reduced budgets are driving a much more creative approach to meeting business needs. Reduced headcounts in our front-line population mean that learning interventions must be much more targeted to driving individual performance results. Learning and development is viewed as a key driver in trading out of the recession by our business. This means that LTD are heavily under the spotlight but also receiving tacit support from executive-level leaders.’

‘Very positive in that the organisation sees learning and development as a way to maximise the contribution of those employees already in the business. The organisation went through a BIG restructure at the end of 2008 resulting in some redundancies and those remaining naturally on a journey through the change curve (and all that entails!). The L&D Department has just recruited five new L&D designers to emphasise the commitment to providing the best for those currently in the organisation.’

To maintain this position, learning and development professionals need to be politically and commercially astute. They will need to continue using the best-practice approaches to establishing training needs and providing flexible solutions. Measurement and metrics will need to be used on an ongoing basis to ensure that the contribution is on target and appreciated. It is also important in aligning activities that LTD does not seek to own and control these activities. Instead it should seek to position LTD as a business priority, ensuring the kind of sponsorship that strategically positions its role and ensures its future. Examples of such approaches can be seen in the case of VT, the diversified business support services company. VT was hewn together from the non-shipbuilding activities of Vosper Thornycroft, and operates in this competitive market by focusing on the importance of learning and talent development, with the chief executive sponsoring the development of initiatives such as coaching (Anderson et al 2009).

**No impact**

However, there is some evidence of organisations where learning and development is so well embedded that it is actively perceived as a performance...
enabler. This is subtly different from the preceding situation where LTD is on its way to becoming so embedded that it is aligned and relevant enough not to be on the radar screen for cutbacks. This does not mean that LTD is immune from change, but that its level of responsiveness will be such that it is constantly challenged to do things differently and to deliver the product flexibly.

‘Relatively little – our main L&D budget has been unaffected and senior management have stated that they will not cut training budgets under any circumstances. We currently have a recruitment freeze, which has reduced the amount of on-the-job training being undertaken.’

‘Very little. The company is committed to growing during the recession and the L&D plans are the same going forward as they were before the recession.’

‘Learning and development is seen as vital in keeping our organisation going.’

‘The organisation sees learning and development as a way to maximise the contribution of those employees already in the business.’

Consultants and external providers
Some of our respondents are consultants and external providers who account for roughly one-fifth of LTD provision (see CIPD 2009b). These practitioners have a unique position given their role in delivering LTD within a number of different environments. They operate in organisations where all three main scenarios discussed, such as heavy cuts and so on, are present, where they are at the sharp end as a largely ‘escapable’ cost. They also benefit from opportunities as organisations outsource elements of LTD and look to deliver it more flexibly. The experience of these LTD professionals gives a flavour of the pressures coming to bear on LTD in general.

‘I am noticing the following trends in the behaviour of the L&D organisations on whose behalf I act: – Maximising the utilisation of internal, permanent, headcount. – Increased scrutiny of external spend, leading to spend reductions and longer time to make external spend decisions. – Some temporary moratoria on training spend for circa three months. – Cutbacks in external spend, increased interest in outsourcing as a means to control/reduce spend. – General distractions caused by large-scale reorganisations in about half of the large organisations that I deal with.’

‘Massive impact. We have seen a significant drop in sales in the private sector (we are a training consultancy) with only the public sector still commissioning training in any quantity. Much more focused spend and more involvement of procurement functions.’

‘As a private training provider it is difficult due to the current trend with government funding.’

Regardless of the role, every LTD intervention needs be focused on developing the capabilities of the organisation to meet the challenge of recession. That can mean a complete change of business strategy and recession is often the midwife of disruptive change in strategy. We look at the capabilities needed during recession below.

Table 1: Perceived gaps in leadership and management capability

<table>
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<tr>
<th>Capability</th>
<th>Percentage</th>
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<tr>
<td>Innovation/Interpersonal skills</td>
<td>50%</td>
</tr>
<tr>
<td>Business and commercial acumen</td>
<td>75%</td>
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<tr>
<td>Coaching/mentoring/developing staff</td>
<td>74%</td>
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<tr>
<td>Performance management: in particular setting standards for performance and dealing with underperformance</td>
<td>74%</td>
</tr>
<tr>
<td>Communication, engagement and change</td>
<td>60%</td>
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<tr>
<td>Leadership and management</td>
<td>73%</td>
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<tr>
<td>Leadership and management</td>
<td>76%</td>
</tr>
<tr>
<td>Management and change: the ability to lead an organisation through change</td>
<td>72%</td>
</tr>
<tr>
<td>Business and commercial acumen: the ability to think strategically for the business</td>
<td>60%</td>
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<tr>
<td>Coaching/mentoring/developing staff</td>
<td>75%</td>
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One of the significant impacts LTD can make is in preparing organisations for the business cycle through which all organisations transition. In today’s world, we face a recessionary environment. In this context priorities change, threats have to be mitigated, new opportunities need to be explored and strengths have to be developed. Above all, organisations need to develop agility so that they can respond to tough times. In terms of ‘recession relevant’ LTD, we found that organisations that are delivering these necessary outcomes are focusing on:

- leadership and management
- commercial awareness/business acumen
- communication, engagement and change.

Leadership and management
Our 2009 Learning and Development survey report indicates the leadership gaps perceived by LTD professionals within their organisations. These gaps are also a major issue for the Government as it seeks to lift Britain’s productivity. Over 70% identify managing change and performance as a gap. Well over half see the absence of commercial acumen and wider business skills as a key issue.

Looking deeper into organisations, our summer 2009 survey confirms this perception. There is a strong emphasis on leadership and management needed to help organisations through the recession. However, there are some differences expressed in the style of leadership, as the comments below indicate:

‘Strong leadership is required, but then that is always a requirement, even when we’re not in a recession.’

‘Directive leadership’

‘Agile leadership is the key along with coaching and engagement.’
‘We continue to need leaders and managers who can excite and inspire our people; a greater focus is needed on encouraging people to take greater ownership of their learning and to widen the paradigm of learning within the organisation.’

Learning and development professionals can play an important part in helping their organisation establish the types of leadership and management required and how that capability can be designed and delivered. A forward-looking and responsive LTD function will develop a leadership strategy that fits with the long-, medium- and short-term strategies of the organisation. What types of training intervention can be developed? Performance management, coaching and mentoring, and training in effective leadership behaviours are all key to underpinning the leadership skills of managers. Employee engagement and an understanding of reward and recognition can also impact performance and effectiveness. Further up the organisation, leadership development programmes based on delivering the business plan can have real impact and should be linked directly with the training at line manager level. LTD should be able, with innovative strategies, to deliver these interventions in a cost-effective manner.

‘We are] stepping back from “sheep-dipping” populations through extensive leadership development programmes, into a more targeted approach.’

‘The company reduced the management development function headcount by 35% (redundancies) and all support is being cross-charged to the business (resulting in a drop in the number of requests as the business doesn’t want to spend money on this support as they used to have it for free).’

‘Less “leadership development” training being planned. However, it has been identified that training has improved our business performance. With this in mind, at present, the General Manager is happy to continue investing. Due to workloads, we may even be expanding our training and development team.’

Commercial awareness and business acumen
It is a continuing challenge for HR professionals to understand the financial environment of the organisation. David Smith, HR Director of Asda, addressed this point in a recent edition of People Management (Warren 2009):

‘I passionately believe that many in the HR community have not got sufficient numeracy to do the job…’

It’s an issue our respondents are also switched on to.

As the comments indicated:
‘Economics, understanding of what can be done to help companies get through the recession and come out the other side stronger.’

‘Ensuring employees know how they impact the bottom line.’

‘We need commercially focused people who are driving production and reducing overheads, which has been consistent with how we usually operate our business.’

As our responses report, business awareness and proficiency in finance should not be something that suddenly gets attention in a recession. LTD needs to ensure that financial and business literacy is built into all employees at an appropriate level. It can be done without expensive courses or consultants. It’s often more productive to use colleagues from finance, operations and those HR people who know their way around the issue. Exercises such as breaking down costs and revenues into understandable units and relating abstract concepts to household budgets, for example, are all ways of making commercial reality clearer. Designing online materials and using innovative technology can also help, as can accessible short sources of information, such as the People Management article referred to above. LTD should be aligning its activities to ensure that all employees are equipped with this key capability. That said, recession is often the catalyst and the tipping point where lack of knowledge becomes critical; in that case LTD needs to play a knowledge management role by ensuring that material can be refreshed and reused for the next time, and learning reflected upon.

Communication and engagement
In difficult times effective communication and employee engagement are essential. However, as the MacLeod Review on employee engagement explains, it can enhance employee performance at any time. LTD needs to play its part in this. Though engagement wasn’t highlighted in this report, the CIPD believes this is a key vector for LTD. Indeed, taken together, both effective engagement and LTD may be the key HR interventions for recession with their impacts on morale and motivation. Engagement is driven by the positive and involving behaviours that employees feel and is impacted by the perceptions individuals have of their company, their managers and colleagues. Good employee development helps build resilience and change-readiness, as well as preparing people for the possible impacts of downsizing and restructuring. The case of Malmaison Hotels suggests how the two can work together.
Mini case: Malmaison Hotels – Learning to drive engagement
Employee engagement is playing an increasing role in leadership development and in HR strategy. Malmaison Hotels suffered from a long-hours culture and a high turnover of staff, which can be barriers to engagement. As part of the acquisition and expansion plans, the company put in place new performance management systems, greater learning and development opportunities, new management development programmes, employee recognition schemes, and new rotas and flexible working practices. The result has been increased retention and more senior positions being filled from within, which has also reduced costs for recruitment; 70% of general managers have made their way through the company’s ranks, as have 90% of head chefs and deputies. The average working week has been reduced and staff turnover has reduced significantly. These changes have led to steadily improving scores in the employee survey, and sales and profit targets at each chain have been achieved for the last two years. (MacLeod Review 2009)

Having discussed the importance of LTD aligned with the business cycle, we were interested to find out if LTD contributes to helping firms prepare for, survive through, and hopefully emerge from the recession. We thought this would help to identify how learning and development is valued in organisations where it is well positioned. We were able to discern from the responses three key scenarios for LTD in the context of an economic downturn:

- no role
- flexible approach
- focus on the future.

No role
’I don’t think the business is using L&D professionals to weather the recession, we are all just spare resources and training is viewed as “nice to have”. Currently all hands on deck.’

’None that I can tell.’

’Training is taking a bit of a back seat, with trainers and facilities having been cut right back, but this happened before the recession.’

This again raises the issue of alignment. Given the nature of the business environment, global competition and the need to innovate, LTD should be well placed. A convincing narrative of the role of LTD coupled with a compelling evidence base of its impact will ensure that it is seen as a key aspect of recovery. This also requires an appreciation that, in a cash-starved environment, business has to press down all expenditures. Courses that are delivered by external agencies, which can be deferred, may well be. The cost of taking employees out of productive employment to receive training when organisations may be downsizing to a lower critical headcount may be a major factor in such decisions, and is often underestimated in evaluation criteria.

The crucial point about LTD’s influence and alignment within the business is whether it is involved in such decisions and can give credible input on the benefits and costs of LTD.

What does alignment look like?
Alignment isn’t just about talking and consulting across the business; it’s about shaping and profiling the way LTD operates to fulfil key business priorities, often making deep changes in how LTD is designed and delivered, as the respondent below demonstrates:

’We introduced a partner model 18 months ago to bring L&D closer to the business with two hopes: 1) We now deliver priorities which are closer aligned to the priorities of the business; 2) We have far greater strategic influence due to having in-depth knowledge of the challenges facing the business. We’ve also redesigned and relaunched our intranet site and helped develop a new site specifically targeting the key business priority area.’
Flexible approach

‘Aligning learning activities with the core business and provide learning opportunities in a more flexible way – no one-type-fits-all approach.’

‘Encouraging and supporting more effective coaching to develop and maximise individual and organisational performance.’

‘Specifically for employees who are under threat, we have increased learning opportunities for them, and have been providing a more personal, tailored service.’

LTD that is responsive and agile, as in the above statements, will be prepared for such internal discussion. This shows the importance of approaches such as providing more flexible learning and challenging the automatic assumptions about large-scale courses that may be both cash-hungry and inefficient in terms of how LTD meets business priorities. This can be a painful process and may be uncomfortable for in-house employees or suppliers, but it may be a necessary step.

Interventions such as coaching and mentoring, when delivered in a sustainable way, provide a crucial underpin to learning and talent development approaches. Both coaching and mentoring can increase the ‘value add’ by ensuring that other training and development is discussed in a coherent, encompassing way. A well-designed coaching programme delivered primarily via line managers as part of the management toolkit can help enormously. Often this is integral to performance management and can ensure that what policy-makers call ‘effective skills utilisation’ can be achieved. Effective and entrepreneurial LTD departments make sure that such resource is captured and cascaded through the organisation. Effective evaluation is also critical and is discussed below.

Focus on the future

One key issue is the extent to which LTD is perceived as an important aspect of business improvement. Figure 3 shows the context drawn from this report. Almost three-quarters agree with the statement that LTD is perceived as an important part of business improvement.

We wanted to look further into the issue. In our study, some of the contributors showed that learning and development contributed in two particular ways. One was in sustaining employee motivation and morale in difficult times, and the other was the idea of ‘training for the recovery’.

‘Preparation for the upturn. The economy will recover and L&D is perfectly placed to be getting the organisation ready for that upturn, and it will be upon us quicker than we think.’

‘The best policy is to maintain a steady supply of L&D opportunity to employees so as to be in the best position when the upturn comes and to maintain employee motivation during the tough times.’

Previous economic downturns always had an impact on training and the money available (budget). It was seen as an easy option for saving money, rightly or wrongly. In today’s climate training is seen as an important requirement, not just for morale but also for the good of the business, preparing and training for economic recovery.’

The public policy context: train or stagnate

Though there has been some fall in training spend per head as a result of lower levels of recruitment, the public policy backdrop for LTD is supportive. The Government, in the shape of the UK Commission for Employment and Skills (UKCES), has publicly exhorted employers to protect training budgets in difficult times. Training has been identified as the key to survival. Evidence from the last recession demonstrates that companies who cut their training spend were 2.5 times more likely to go bankrupt (UKCES 2009). With major employer bodies, including the CIPD, the CBI and IoD, throwing their weight behind the campaign, the situation is far more favourable than that of the last significant recession in the 1980s. There is also more public money for certain types of training, particularly at the level of basic skills and towards areas such as apprenticeship. Almost all basic skills training is currently government-funded, and the Government is investing public money in critical skills shortages in small and medium-sized enterprises. Leadership and management in SMEs has become a particular priority based on evidence of Britain’s poor performance relative to its competitors. Whatever we think of the skills infrastructure and whether spending is targeted on the right priorities, government and employer organisations have never given a greater public endorsement of workplace skills training.

Figure 3: Learning and development in my organisation is seen as an important part of business improvement (%)
Mini case: Scotrail – Learning to keep the business on track

Scotrail is part of the First Group, has 4,300 staff and runs 95% of trains in Scotland. It has long been part of an embedded rail culture. In 2006, when the then HR director Fiona Irvine took up her post, it had no people plan, a deeply cynical workforce with ingrained attitudes, people stayed but were often not engaged, and the company had high levels of absence. Many long-service employees had left formal schooling early without qualifications, with severe gaps in learning. The management culture was frustrated by unions that were generally prepared to oppose rather than work in partnership, and everyone worked to an antiquated but revered rulebook rather than focus on customer service and quality.

The new HR team sought to change this culture, first by rolling out an extensive strategic programme that aimed to equip all of the stakeholders to engage with change. Six-hundred managers, for example, were engaged with six days of management training conferences. Training was cascaded by these trained managers throughout the rest of the business. The focus on learning and development was linked both with the performance management appraisal system, and with a six-monthly calendar to ensure that training and learning was embedded and applied. The company also worked with union learning reps to improve learning across the business and was able to access government funding to do so. In the process it established a much more productive relationship with the unions based on improving the performance of the business and the opportunities available to the union membership. Nearly a quarter of staff were pursuing qualifications in 2009 and training days have doubled since 2006. By focusing on well-being, Scotrail was able to reduce absence levels by one-third. This means its performance across many key dimensions improved and, in the highly competitive rail franchise competition, its franchise was renewed.

Effective and credible evaluation builds an evidence base for success and enables LTD and HR to explain the value of learning and development. Several respondents stated that they have started, or have reinstated, evaluation of learning and development. The risk is that when times are good and learning and development staff are busy, we don’t focus on the importance of measuring the impact and effectiveness of LTD. Consequently it can be that learning and development spend is perceived as something for the good times when budget is not of great concern. Our recent report, Promoting the Value of Learning in Adversity (2009), provides many examples of evaluation techniques and approaches.

There are two main groupings in the responses to changes and innovations in learning and development practice:

- use of e-learning/blended learning
- shift to in-house provision.

Use of e-learning/blended learning

‘Developed online development topics, with exercises and diagnostic tools, which are accessible to all.’

‘More focus on blended learning. Increasing the use of e-learning and e-packages for mandatory training, for example induction, risk management.’

Shift to in-house provision

‘Utilisation of in-house expertise. Sharing knowledge more amongst staff.’

‘We’ve looked more internally and what we can deliver in-house based on best practice from previous organisations, information on the Internet and sourcing funded training solutions which can be tailored to our business requirements.’

‘Any spend must add value, even more so now. This in turn has seen a number of courses delivered in-house by experts around the company where previously external suppliers may have been used.’

The caveat with these is that while they represent a responsive shift in practice, they may be driven by the need to cut cost or reduce time on development. However, this reflects the difficult conditions in which people are operating and the need to respond. It raises the questions of what represents low-cost innovation in learning and development in the best of times, and how we sustain innovation. It may be about re-engineering the delivery of learning and development, for example by taking a look at how people are inducted into organisations and really throwing away the rulebook as we think about how to deliver this core service.
CONCLUSION: IMPLICATIONS FOR LTD

It’s also about audience. We know from the research on learning styles and from the CIPD’s emerging research on generational factors that everyone learns differently. Tailoring learning to how people actually learn and absorb could be very productive. Getting people into learning groups on the basis of their style could be one way of doing this. Compliance and proficiency training – whether it’s health and safety, food hygiene or a technical skill – tend still to be wedded to the classroom. What’s more, the classroom tends to be the first intervention. Building up employees’ independent learning through online exercises and encouraging reading can be a way of ensuring that such courses are more productively absorbed. It’s also a good way of ensuring that the trainers are innovative and add value, rather than parroting from books and slides. This can also help to make sure that internal trainers can be better used.

Our findings from this report have confirmed our belief that there is plenty of positive news and practice out there in the learning and development community. There are organisations where professionals have been effective in establishing the ‘value of learning’ and ensuring that it is viewed as a real contributor to organisational performance. Those working in learning and development have been able to respond to organisational challenges and enable their expertise to continue to deliver organisational value. For those organisations, the future may appear a little more positive as they seek to develop the capabilities needed to grow out of recession when the opportunities arise.

However, there is also a clear warning note sounding out from this study – there remain organisations where learning is not coherently aligned with business strategy and, at worst, may be seen merely as a benefit to employees. The organisation may not be clear about the benefits it receives, which could mean that LTD is seen as dispensable. For these organisations the recovery beyond recession may be more painful and drawn out and their learning and development professionals could still have an uphill battle to establish the importance and potential of their contribution.

The CIPD has provided detailed strategic advice on how LTD can both fight its corner and promote its strategic contribution as integral to the business. That means we must make sure that our work is relevant to business priorities, aligned to the needs of the business units and individuals within the context of what they are seeking to deliver, and measured so that its value or otherwise is transparent. That way we can demonstrate that LTD has value and impact, and though we cannot expect to be immune from cost reductions, we can work smarter to support our overall value proposition for the business.

This quote below highlights one of the more positive outcomes in the face of the recession and a proactive and commercially astute mindset:

‘It has given us an opportunity to review all training and ensure that it is fit for purpose and delivers what is required. This had been overdue for some time so it’s a welcome response consequent on the downturn.’
The model below, developed through the CIPD’s work on *Promoting the Value of Learning*, highlights a critical framework for making sure that learning and development is positioned to contribute maximum long-term value. In these recessionary times, we must robustly focus on the ‘must-have’ level without ever losing sight of the importance of the second and third levels.

Finally, we need to move beyond the simple idea that learning and development is a ‘good thing’ and the preserve of the learning and development professional. Perhaps the acid test comes in hearing a line manager clearly articulate why learning and development makes a critical contribution to their organisation and is something to actively use for real benefit. The challenge for LTD professionals, signposted by the comments in this report, is to take these issues on board and to make change happen. There’s an old saying attributed to Mahatma Gandhi about ‘being the change we want to see’. In the world of business LTD has a key role in developing the capability of organisations and the insights garnered from this report will go some way to allowing LTD practitioners to be that change.

The Value of Learning: From return on investment to return on expectation (2007) by Valerie Anderson

Our major research report of 2007, this was produced with Portsmouth Business School, specialists in evidence-based LTD research. This key report reappraises the role of the LTD professional in analysing and explaining the value and impact of LTD. Building on traditional models of evaluation and integrating new practice, it highlights the importance of relevant, aligned and measured LTD.

www.cipd.co.uk/bookstore

Promoting the Value of Learning in Adversity (CIPD 2009)

Designed to help LTD practitioners in recession, this guide summarises the research and insight from the Value of Learning report to help LTD practitioners position effective, integrated LTD and to avoid some of the pitfalls that may have lessened the perceived value of LTD in the past. www.cipd.co.uk/guides

Supporting, Accelerating and Directing Learning: Implications for trainers (CIPD 2008)

This report encapsulates nearly a decade of insights and evidence from thought-leader and former CIPD adviser Martyn Sloman on how people and organisations learn and the most effective methods of embedding learning. www.cipd.co.uk/researchinsights

Coaching at the Sharp End: The role of line managers in coaching at work by Valerie Anderson, Charlotte Rayner and Birgit Schyns (2009)

This CIPD report, authored by evidence-based LTD specialists at Portsmouth Business School, examines how coaching can be identified and embedded in line managers and how it can fit with LTD. www.cipd.co.uk/bookstore

Gen Up: How the four generations work (CIPD/Penna 2009)

Gives evidence on the different learning challenges and capabilities of various generations, and how this can drive impactful LTD practice. www.cipd.co.uk/surveys

INNOVATIVE LEARNING AND TALENT DEVELOPMENT
Other resources

Engaging for success: enhancing performance through employee engagement [MacLeod review]
Department for Business, Innovation and Skills (August 2009)

Ambition 2020: World Class Skills and Jobs for the UK (UKCES 2009)
An excellent, forward-looking report on the UK’s skills challenges and a high-level endorsement of the value of LTD.

Training in Recession: Winner or loser (Institute of Directors 2009)
This new research paper, based on the results of an IoD Policy Voice survey of nearly 1,000 directors, challenges the received wisdom that training budgets are the first to be cut in a recession.

References


