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Training Trends

setting up for success

Insights for driving effective in-house training

City & Guilds Training Trends Research 2022

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David Phillips
Managing Director
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Foreword

With so much at stake in terms of employee retention, customer experience and brand, how can organisations ensure their in-house training programmes are set up for success?

Making the most of your in-house training investment

Employers are taking control. To combat the complex climate of recession and skills crisis, many companies are turning to in-house training to help them maximise their investment in staff development.

This is good news, at least on the face of it. We know that training is meant to enable your workforce to be more productive and make them feel valued.

It is, therefore, encouraging that many large companies are planning to maintain or increase their learning and development budgets in the next financial year.

The reality, however, is much starker. Misguided training strategies produce little or no results. In fact, 99% of large employers have experienced failed training programmes in the last five years, as our research has found.

The hidden costs of ineffective training

So, while it is encouraging that employers are taking control of their training strategy, there's a danger that they're wasting their money if they don't get their in-house programmes right.

Ineffective in-house training is one of the most common reasons for low productivity and for employees to disembark, in search of greener pastures.

And when people leave, it can be costly. The average direct costs of recruitment can be up to £22k per hire*, or three times the salary of the recruit if you include indirect costs such as the lingering impact of losing talent which tends to hit the product and service experience first, followed by the reputational risk to any brand.

Employers simply cannot afford for their training to fail. Literally.

Setting your training up for success

In the pages that follow, we explore the realities being faced on the ground by organisations that have designed their own in-house training programmes.

What we have discovered is that, regardless of whether they have designed their training independently or with the support of a third-party L&D provider, the challenges are entirely navigable.

By putting in the right measures, you can set your training up for success and deliver measurable ROI.

*The Real Cost of Recruitment: A Guide (2022) (testcandidates.com)

Training trends - a snapshot

In-house training is gaining momentum, but continues to fall short.

Tailored training is on the rise

65%

of organisations opt for tailor-made in-house training over off-the-shelf programmes to support bespoke skills needs for their business.

Training failure is very high

99%

of large employers have experienced the failure of in-house training programmes in the last five years.

Employers are investing heavily in L&D

96%

of organisations expect their training budgets to remain the same or increase in the next financial year.

A real opportunity to recognise skills and achievements

71%

of employers are not yet providing their employees with externally recognised certification for their in-house training.

Tailored training is on the rise

Learning and development (L&D) has become increasingly important to support organisational success, but in response to the dramatic changes of the past few years, it is now more vital than ever.

In the wake of the Covid-19 pandemic, fast-paced staff turnovers, and global economic uncertainty – it's surprising and encouraging to find that HR conversations continue to centre around L&D strategies and how to implement effective upskilling and training, despite ever-tightening budget limitations.

These limitations could be one of the driving factors behind the ongoing rise of in-house training in the UK, as well as the need for programmes that are specifically tailored to the requirements of individual businesses.

According to City & Guilds Training Trends 2022 research, which surveyed 600 HR and L&D decision-makers and senior managers from large companies across 12 sectors:

- **65%** choose to design and deliver their training in-house as opposed to off-the-shelf programmes.
- **96%** expect their training budgets to remain the same or increase in the next financial year.
- The majority of respondents admit that if they had more budget available, they would increase their external training investment for planning and design (**38%**), delivery and implementation (**46%**) and evaluation and measurement (**57%**).

65%

of organisations opt for tailor-made in-house training over off-the-shelf programmes to support bespoke skills needs for their business.

"While there is clearly a place for off-the-shelf training and qualifications, there continues to be an increased demand for bespoke training. Large employers are investing in L&D to remain competitive and drive growth in challenging market conditions."

David Phillips
Managing Director
City & Guilds

Employers are investing heavily in L&D

The high level of employer spending on training is coupled with more in-house control. Companies are increasingly moulding their training programmes to meet their specific needs, both in terms of their strategy and also when it comes to planning, design and delivery.

A bespoke strategic approach

In-house training is clearly a firm favourite for large employers to upskill their staff.

According to our survey, employers typically spend more than half of their training budget (**65%**) on internal training for technical, job-specific skills.

This shows that employers continue to place high value on ensuring that their staff are suitably trained to do the technical aspects of their job.

A bespoke design approach

Our survey shows that employers are taking a hands-on approach when it comes to planning, designing and delivering in-house training.

The findings highlight that the range of issues that companies have to address is quite broad – ranging from employee progression and retention to remaining competitive in a challenging marketplace.

96%

of organisations expect their training budgets to remain the same or increase in the next financial year.

"To solve a complex mix of problems, employers are planning, designing and implementing their own tailored programmes. For many, taking such a bespoke approach to training is no longer a luxury, but a necessity."

Dora Timar
Senior Manager for Recognitions and Frameworks
City & Guilds

Training failure is very high

A staggering 99% of large employers have seen ineffective or failed in-house training programmes in the last five years. 54% have seen three or more in-house training programmes not meet their objectives in the last three years.

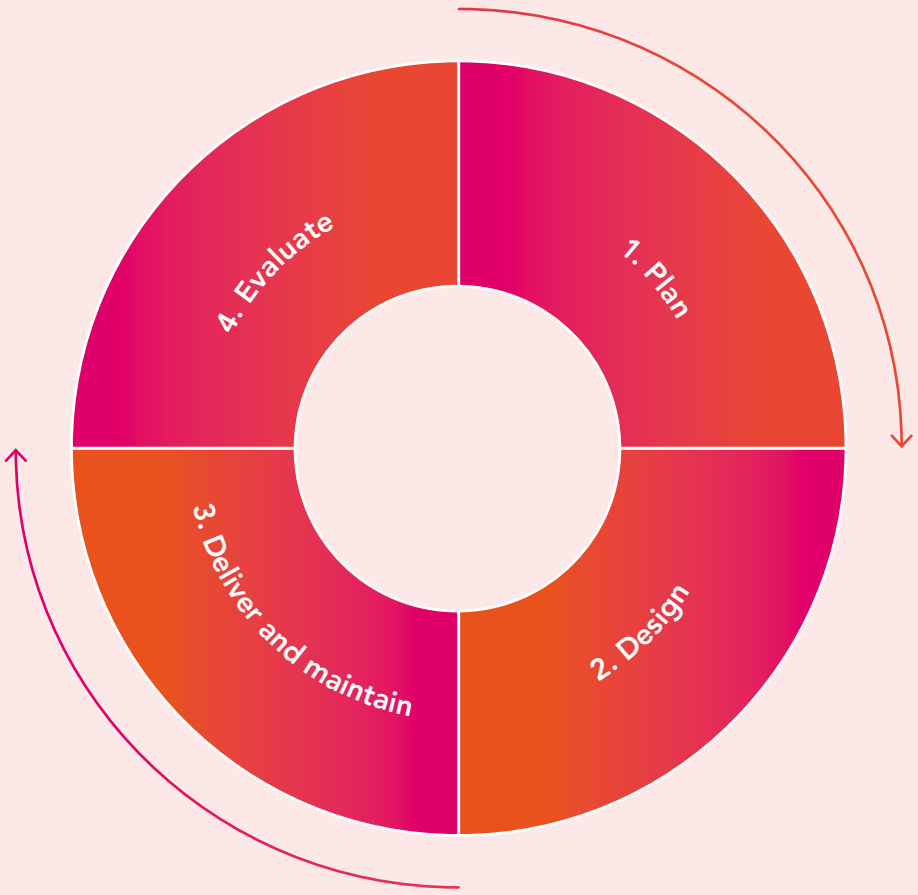
There are a number of challenges that companies are facing, in terms of their L&D programmes. The survey has clearly highlighted the top challenges at each stage of the development and implementation of in-house training.

99
PERCENT

of large employers have experienced the failure of in-house training programmes in the last five years.

54
PERCENT

have seen three or more failed in-house programmes.



In terms of in-house training programmes, companies are facing many challenges.

Our survey highlights the top challenges at each stage of the development and implementation of in-house training.

Top 5 Planning Challenges

1. Changing the learning culture from classroom-based to hybrid or digital-only solutions, and catering to staff who are in multiple locations
2. Complex decision-making processes to obtain the budget approval
3. Have sufficient time to plan and operationalise training
4. Demonstrating measurable return on investment to get approval on budget
5. Delivering bite-sized and engaging learning content.

Top 5 Delivery Challenges

1. Ensuring that the programme remains viable and fit-for-purpose
2. Demonstrating ongoing return on investment to ensure continuity of training provision
3. Having sufficient resources in place to deliver the training to the required quality standards
4. Having a framework in place to measure the effectiveness of training
5. Ensuring that the programmes are engaging, keeping learners invested in their own development.

Top 5 Design Challenges

1. Limited personnel with no in-house expertise when it comes to creating impactful learning materials
2. Deciding how to review and evaluate the programme's success, measured against key learning objectives
3. Engaging employees from diverse backgrounds and levels of experience and different lengths of service
4. Setting the right eligibility and entry requirements for the programme and designing programmes that work for staff enrolled
5. Creating meaningful progression pathways.

Top 5 Evaluation Challenges

1. Effectively measuring the impact that training is having on operational and financial performance.
2. Assessing the quality of output, in terms of final product or service delivery
3. Establishing key measurements related to employee participation and completion – for example, take-up, satisfaction levels, completion vs. drop-out and success rate.
4. Demonstrating that the organisation is receiving value for money for their investment in L&D
5. Effective reporting on key performance indicators to senior leadership for continued management support for training.

A real opportunity to recognise skills and achievements

Another important factor for organisations to consider is whether or not to offer certification for their in-house training. According to the survey, 57% of employers offer internal certification for their programmes, while only 29% offer external certification.

Whilst recognising the achievements of their staff, companies offering external certification list the following immediate benefits.

- Retaining and attracting staff
- Saving HR costs
- Enabling staff progression
- Strengthening brand reputation
- Justifying investment in training.

71%

of employers are not providing their employees with externally recognised certification for their in-house training.

How to get a better return on training investment

With so much at stake in terms of brand, operations and employee retention, how can employers get their training programmes set up for success?

Our survey explored the reasons for failed in-house training. We identified the key ingredients needed for engaging and impactful in-house programmes.

Mitigating the risks: what you need to consider

Our survey explored the reasons for ineffective or failed in-house training so that we can identify the key ingredients of engaging and impactful in-house programmes.

#1 Evaluation

There needs to be an evaluation to measure the quality and the effectiveness of in-house training, and such evaluation needs to be appropriate.

This will help ensure that the learning is embedded and will guide the employer to highlight what's working and where further improvements or developments are needed.

#2 Planning and design

- For any in-house training to be effective, it needs to be aligned to the overall strategic goals and the needs of the business, underpinned by strong leadership support. This will facilitate the embedding of the training as there will be a visible connection with the business objectives set for staff.
- In-house training programmes can also be a fantastic tool to create collaborative environments that help participating employees envision their roles, and the skills being learned, within the bigger picture.
- The learner experience is equally important. Programmes with digital learning included should be easily accessible, engaging and designed to high-quality standards to enhance the experience.
- Participants should be selected based on the relevance of the training to their roles and properly briefed so they are ready to learn when they show up for the training.

This, in turn, inspires staff to take greater accountability for their learning and creates a personal drive to achieve the goals set for them.

- Staffing and resources should be planned, resourced and managed effectively. This will ensure continued effective delivery and help employers maximise their return on investment.
- Understanding when assessment will add value is also key. Having assessment alone doesn't necessarily make a training programme stronger.

It's about having the right type of assessment, supported by fit-for-purpose procedures which will take in-house training to the next level and enable the embedding of learning into the workplace.

#3 Recognition of achievement

A clear message from our survey is that employers understand that staff want meaningful recognition of their achievement, with 97% offering some form of internal or external certification.

Choosing the right type of certification is one of the most critical elements of designing successful in-house training.

Not only does it drive participation and engagement, but it can also be a key tool for continuous improvement to maintain a high quality throughout.

#4 Learning from mistakes

Whether it's from past mistakes or learning from the various challenges that other companies and training experts have shared, employers who are planning to design their own in-house training can fast-track their journey to success by exploring the obstacles others face, and by putting a mitigation plan proactively in place.

This can greatly inform resource planning for effective delivery and minimise the risk of hidden costs.

#5 Senior leadership support

Like for any other business initiatives, senior buy-in is a make or break. Without the support of the executive team, training programmes have little or no chance of surviving.

Apart from the obvious point around continued investment, through the sign-off of budget, there is another critical aspect to consider. When employees witness their seniors' investment and involvement in their development, it boosts morale and loyalty, and inspires a sense of pride and confidence in their work.

Know what success looks like

Top tips on how to create effective training programmes.

To create success of in-house training, companies have to understand what makes training "work". In-house training offers employers full control over all aspects of their training strategy, creating the flexibility needed to address their unique skills needs. When "done right", in-house training will elevate a business.

Benchmark your training

One of the best investments employers can make into their in-house training is to have it benchmarked to a trusted quality standard.

Having an independent view of in-house training provides a health check on the current status of the training and also allows businesses to make informed, accurate decisions about future plans.

An important added benefit of benchmarking your training is external certification.

Certification sets brands apart, impacts on product and service delivery and it tells the story of a skilled and engaged workforce – all of which are needed for any business to remain competitive.

Build capacity

Many employers choose to deliver training in-house because of the flexibility that it provides both in terms of content as well as accessibility.

In-house training enables on-site learning and application, making implementation highly efficient.

Training managers are also better able to monitor the application of the skills learnt as they are involved hands-on in the training process. This then allows them to track progress and identify where learners can improve further.

The key is to ensure that there is full clarity on the strengths as well as the gaps in training capabilities so that the resources can be planned and deployed to address these gaps.

Companies will often fill the gaps in-house, by training their own staff. While it makes perfect sense, it can pay off to buy in resources where the expertise is not readily available in-house to save time and money and to help build the right capacity for the long term.

Continuous improvement

"Continuous improvement is all about taking a proactive approach.

It enables organisations to put the right systems and processes in place to regularly review and evaluate their training so that they know what adjustments are needed to make their programmes more successful. It also provides an effective way to report back to senior management and give confidence to the business that the organisation's investment in learning is being used in the most efficient way."

Beckie Badger
Lead Learning and Development Specialist
City & Guilds

Setting your training up for success

Understanding what good assurance looks like enables any organisation to put a strong foundation in place for future growth.

By putting the right measures in place, businesses can take their in-house training to the next level.

"Companies often ask us what they should prioritise when it comes to creating their in-house training," Timar explains.

"Our advice is very simple - which the survey findings have also confirmed. Start by looking at the quality of your programmes. Once you begin to unpack your systems and processes, you will be able to create a framework of actions for each step of the process: planning, design, delivery and evaluation. And that becomes your roadmap."

Speak to our specialist team

At City & Guilds, we understand the effort and budget that gets invested in creating in-house training programmes, and how important it is for those programmes to succeed.

Our Assured Service demonstrates that the way in which organisations plan, design and deliver their learning programmes meet world-class quality standards: the Assured Benchmark.

Please contact us for a discussion on how our Assured Service can help you to achieve your skills development and business goals.

About City & Guilds

City & Guilds is the global skills partner, empowering people, organisations and economies to develop the skills they need for growth. With almost 150 years of trusted expertise, we support people into work, help them develop on the job and move into the next job.

We work with Governments, employers, training providers, colleges and industry stakeholders to design and deliver high-quality training, qualifications, assessments and credentials that lead to meaningful career progression. We understand the life changing link between skills development, social mobility and success. Our solutions span critical sectors including construction, engineering, transport, energy and electrical, serving over 1 million learners annually.

Through our comprehensive portfolio of brands and trusted global network, we set industry-wide standards for technical, behavioural and commercial skills to improve performance and productivity. We believe you can achieve your potential - and we're here to help make it happen.

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