

Annual survey report 2013



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ON DEMAND *Empowering People*

A blurred, high-angle photograph of a large crowd of people walking in the same direction, creating a sense of motion and a busy environment. The image is overlaid with a semi-transparent purple band.

LEARNING AND TALENT DEVELOPMENT

Now

REFLECTIONS ON THE LAST 100 YEARS

To mark the CIPD's centenary **Dr John McGurk**, CIPD Adviser, Learning and Talent Development, shares his thoughts on a key management thinker of the last century.

F.W. TAYLOR: ARCHITECT OF THE PRODUCTION LINE AND CRAFTY APPRENTICE

On-the-job learning is the most effective and used form of learning. It has a long legacy. Two years before the CIPD's founding, management thinker Frederick Winslow Taylor published *The Principles of Scientific Management*. It was designed to solve the productivity problems of rapidly growing US workplaces.

Taylor reasoned that workers who were not given clearly defined instructions and whose jobs were not split into repeated tasks would shirk or, as he would say, 'soldier'. This would result in lower productivity and economic performance. Taylor took a pessimistic and patronising view of the abilities of ordinary workers to make decisions and control their jobs. He insisted on rule by the timecard and the clipboard.

This view was well received by business as appropriate at a time of rapid growth of the factory system and had a massive impact. Though high wages went to high-performers, it became discredited as an alienating form of control which turned workers into machine parts. Charlie Chaplin's film *Modern Times* satirised this obsession with the production line and the

stopwatch. But Taylor's methods have persisted, despite attempts to bury them. In spite of all the talk of employee engagement and learning organisations, many still think that productivity is governed by control and monitoring.

Taylor's ingenuity in understanding what took place on the shop floor almost certainly came from his journey as an apprentice patternmaker. He learned on the job how to change the job – he understood production. Insider knowledge allowed him to challenge the views of workers and their growing unions.

Taylor's ghost still casts a shadow across the global economy. In truth, keeping planning separate from execution for the majority of workers still pervades much of management thinking. Taylor used his intensive knowledge of how the job gets done to institute a mindset that is still with us and which learning and OD are tackling only slowly. As the knowledge economy requires that workers are switched on as well as watched over, it will become ever more important that we question that legacy, though not the deep on-the-job learning that informed it.



CIPD is 100 in 2013!

In 1913, some extraordinary and enlightened people came together to form what is now the CIPD. Lots of things have changed over the last 100 years, but one thing remains the same: our commitment to support and lead an HR profession that can help people and organisations be the best they can be.

Find out more about our centenary celebrations at cipd.co.uk/100

Acknowledgements

The CIPD would like to thank the learning and talent development community for responding in such numbers to this survey. Their participation drives the survey's continued relevance. We also wish to thank our partners Cornerstone OnDemand for supporting the survey and giving us special insight into the social learning world. The survey would not be possible without our survey contractor Annette Hogarth and our marketing team.

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FOREWORD

In this the fifteenth year of our survey and 100 years from the formation of the CIPD, we reflect on how change happens in learning and talent development. The changes are significant. Learning and talent development is gradually becoming less about instruction and more about interaction. We call this the 'social shift' in learning. Interaction with the job, the organisation, colleagues, customers and suppliers will be an increasing feature of learning. This will be enabled by social learning technology and a shift in the supply of learning. This is already apparent in massive open online courses (MOOCs) and the dizzying variety of learning experience accessible online. Of course many of these changes aren't happening at lightning speed, certainly not at the velocity of the famous Moore's law which drives the growth of the Internet, but the shift is happening.

This shift is necessary to support the lifetime of learning which needs to take place if we are to harvest the skills and talent of people and organisations. Major policy initiatives on apprenticeships and in education more widely will have a perceptible impact on workplace learning.

Social and collaborative learning isn't new and the lifetime learning mindset we need to develop is not new either, as our feature on union learning shows. However it's now beginning to stick because the world of learning needs it. The move towards interaction and autonomy in learning and away from instruction will require a focus on behaviour and culture as never before, and our survey makes it clear that of course technical content and focused instruction are also still needed. Interaction-based

learning will increasingly require new forms of evaluation. The survey looks at where we are currently and reflects that change will come. Big data will be a big part of that, especially as organisations allow more employees to use their own devices to power the learning experience, and data can be mined from an array of sources. We reflect on the learning legacy of F.W. Taylor in the context of our centenary. Over the last 100 years we have gone from production lines, automation and subdivided tasks to something which is beginning to look more and more like social learning. The challenge will be to use it to power new decades of learning and talent development.

Dr John McGurk,

Adviser, Learning and Talent Development, CIPD



It is with great pleasure that we at Cornerstone partner with the CIPD on their annual *Learning and Talent Development* survey for a second consecutive year. The report highlights a number of trends and opportunities in the employment world which are gradually, inexorably changing how HR professionals – and indeed, how organisations as a whole – operate.

Over the last decade, we have seen a tremendous amount of change in our working lives. The twin revolutions of mobile and social networks have enlightened, challenged, frustrated and enhanced our lives permanently and irrevocably. The pace of globalisation – particularly with the rapid development of the BRIC nations – has accelerated, prompting a wave of discussions about the networked nature of our world and how we seriously engage in a ‘think global, act local’ strategy without overspending. Social media, gamification, bring your own device (BYOD), consumerisation of IT, cloud computing: all of these things have had an effect on our lives.

Against this, the economic instability of the European region has prompted many organisations to ‘batten down the hatches’ and cut back on spend, and as a result, we are seeing a much more focused wave of innovation in HR – so while it may seem that fewer organisations are doing e-learning, for example, those who are doing it are doing it much more effectively.

However, the future is bright. Where we once talked of blended learning, online social collaboration or digital recruitment, we as organisations are now taking a far more unified approach. Essentially, terms such as ‘blended learning’ or ‘digital recruitment’ will become irrelevant in years to come. This is not to say we will not be doing them, but they will be tools and means to an end, not ends in themselves. We will see the dawn of ‘omni-recruitment’ and ‘omni-learning’, where HR professionals simply use the best tools for the job in question, whether that is a graduate recruitment day or scanning LinkedIn automatically.

It is this focus on the output and solving a problem, rather than on the tool or process itself, which will take HR back to focusing on our people and enabling our organisations to be more competitive and productive, and employees more engaged. This is the correct place of HR: people and business support, not tool and widgets and process. But if we are to truly succeed, we must heed the findings of this CIPD survey and consider what these changes mean for not only ourselves as professionals and the business itself, but also consider the wider industry and the macroeconomic environment – and how it will affect us in future. It is this difficult synthesis which will truly differentiate successful HR professionals during 2013 and beyond.

Vincent Belliveau,

SVP and General Manager EMEA, Cornerstone OnDemand

ABOUT US

CIPD

The CIPD is the professional body for HR and work-based learning. With over 130,000 members internationally working in HR, learning and development, people management and consulting across all sectors, it is committed to championing better work and working lives by improving practices in people and organisation development for the benefit of individuals, businesses, economies and society.

The CIPD brings together extensive research and thought leadership, practical advice and guidance, professional development and rigorous professional standards to drive better capabilities and understanding in how organisations of all kinds operate and perform, and in how they manage and develop their people.

cipd.co.uk

Cornerstone OnDemand

Cornerstone OnDemand supports businesses across all industries, providing HR solutions to help recruit top talent, develop employees and manage their careers, empowering them to achieve more.

Cornerstone's integrated software offering consists of four on-demand cloud solutions, including Cornerstone Recruiting Cloud, Cornerstone Performance Cloud, Cornerstone Learning Cloud and Cornerstone Extended Enterprise Cloud.

Our clients use our solutions to develop employees throughout their careers, engage all employees effectively, improve business execution, cultivate future leaders, and integrate with their external networks of customers, vendors and distributors.

Cornerstone OnDemand places client success at the heart of its business and has over 7.5 million users across 179 countries, with customers including Virgin Media, RSA, Money Advice Trust, Travelex, Jaguar Landrover Skandia and Luxair.

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SUMMARY OF KEY FINDINGS

Trends in learning and talent development

On-the-job training, in-house development programmes and coaching by line managers have ranked among organisations' most effective learning and talent development practices for the last five years. These are also the most common methods used along with instructor-led training delivered off the job.

The proportion ranking on-the-job training among their most effective methods has increased over the past few years, a trend that has accelerated this year. In contrast, there has been a decline in the proportion ranking coaching by line managers, as well as job rotation, secondment and shadowing among their most effective methods.

The proportion ranking e-learning methods among their most effective methods (15% this year) is creeping upwards very gradually.

As last year, the most common organisational change expected to impact on learning and talent development over the next two years is greater integration between coaching, organisational development and performance management, reported by 45% of organisations.

E-learning, collaborative and social learning

The proportion of organisations using e-learning (74%) has not changed significantly from when we last explored this area in 2011. It is, however, being offered to an increasing proportion of employees within those organisations. The proportion completing courses remains low at just 31%, although this is a slight improvement on 2011 (23%).

E-learning currently accounts for a relatively small proportion of total training time in most organisations. Its use as a proportion of total training time has increased in manufacturing and production since 2011, but has changed little in the public and private services sector (where it continues to comprise a greater proportion of total training time).

The vast majority of respondents believe that e-learning is more effective when combined with other types of learning and nearly three-quarters agree it is not a substitute for face-to-face or classroom learning. Nevertheless, nearly three-quarters believe it is essential in today's collaborative and networked learning and three-fifths that it is a very effective method of supporting learning in the organisation. Most agree that L&TD needs new skills in design and implementation of e-learning for it to be truly effective.

Respondents understand the term 'social learning' in different ways. More than two-thirds include group webinars and mentoring/peer-to-peer learning in their definition of social learning and nearly as many consider learning around the water cooler to be social learning. Half consider learning on the job to be social learning, while just a third included using collaborative platforms such as Jive or Salesforce chatter or online forums as social learning.

Very small organisations are most likely to regard social learning as important and include it in their learning and talent development strategy. Overall, three-fifths of organisations of all sizes believe that social learning will be important

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in supporting employee performance in their organisations over the next 12 months. One in seven remains unsure about the influence of social learning on employee development.

Talent management

Nearly three-fifths of organisations report they undertake talent management activities. In similar findings to last year, talent management activities cover all or most employees in two-fifths of organisations, while more focus on high-potential employees and senior managers. As in previous years, growing future senior managers/leaders and developing high-potential employees remain the key objectives of talent management activities.

Seventy-one per cent now rank their talent management activities as at least 'fairly effective', an improvement on previous years, although just 8% rank them as 'very effective'.

Coaching and in-house development remain among the most effective talent management activities. Moreover, the proportion ranking in-house development among their top three activities has increased ten percentage points from 2011. More organisations also rank mentoring and buddying among their top methods.

Leadership development

Most organisations will conduct leadership development activities in the next 12 months. As we found last year, the most common focus of these activities will be improving the skills of leaders to think in a more strategic and future-focused way (50%). Other common objectives will include enabling the achievement of the organisation's strategic goals, developing high-potential individuals valued by the organisation and producing a common standard of behaviour for those in leadership roles.

The main leadership skills that organisations lack are regarding performance management, change management, people management and coaching/mentoring/developing staff.

Apprenticeships

Overall, nearly half of respondents report they employ apprentices. Manufacturing and production organisations, particularly those with more than 250 employees, are particularly likely to employ apprentices, followed by the public sector.

Most agree that apprenticeships are an investment in the future of young people, that they help organisations build a talent pipeline and obtain required skills. Views are more neutral, however, regarding whether apprenticeships lead to a more engaged or productive workforce, although the views of those who employ apprentices are more positive than those who don't.

A considerable proportion of respondents were not aware of various changes in public policy regarding the employment of apprentices. Even among those who both employ apprentices and are involved in determining learning and talent development needs, two-fifths were not aware that the Skills Funding Agency will tighten contracts to allow public money to be withdrawn where training fails to meet the required quality standards; nearly a quarter were not aware that apprenticeships must deliver significant new learning and a fifth were not aware that apprenticeships for 16–18-year-olds must last for at least 12 months.

Two-fifths to three-fifths of SMEs were unaware of a range of new initiatives aimed to encourage and make it easier for them to employ apprentices.

Union learning representatives (ULRs)

Over a third of public sector organisations work with ULRs. Private sector (particularly private services) and non-profit organisations are less likely to do so.

More than three-fifths of organisations with ULRs agree they are good for supporting basic skills such as literacy, numeracy and ICT and engaging employees in their own learning. They are viewed as helpful and a good addition to their organisation's learning and talent development effort by more than half of respondents.

ULRs are seen to be less useful at developing higher-level learning. Moreover, one in seven agree or strongly agree that ULRs are unhelpful, getting in the way of their learning approach and pursuing their own agendas.

The majority of respondents believe that ULRs should be involved in a range of areas from improving basic skills, staff development and appraisal schemes, developing and setting up apprenticeship schemes, working with the organisation to promote learning and contributing to the wider agenda where appropriate. However, approximately a fifth believe they should only be involved in these areas to a minimal extent.

Employee orientation for new starters (onboarding)

The vast majority of respondents across all sectors (96%) report their organisations conduct employee orientation activities for new starters, although one in five report their organisation and senior employees are not committed to onboarding.

Onboarding activities typically include an introduction of the company and its background, a tour of the office and job-specific and health and safety training. Approximately two-fifths provide office buddies and pre-onboarding activities and a quarter offer team lunches.

Assessing the impact of learning and talent development activity

The majority of respondents report they assess the impact of learning and talent development activity in some way; however, the frequency with which they do so and the methods they use vary considerably. HR metrics are most commonly used followed by business metrics, which are more common in the private sector.

Nearly three-quarters of respondents across all sectors report they have encountered difficulties in testing or measuring the effectiveness of L&TD activity. The most common problems reported include lack of priority given to measuring L&TD effectiveness by managers and leaders and consistent access to required data.

Economic situation and training spend

In findings very similar to last year, only a minority (8%) report that their organisations' economic/funding circumstances have improved over the past 12 months. The situation is particularly difficult for the public sector, two-thirds of whom report their funding situation has got worse over the last year.

Half of the public sector and a quarter of the private report resources and funds have declined over the past year. Nearly half of the public sector have also seen reductions in headcount.

Over a third of L&TD departments report they have become more business-focused over the past 12 months. Other changes, particularly in the public sector, reflect the ongoing focus on reducing costs. Redundancies, rationalisation and 'reduction' of departments and the closure/rationalisation of training facilities have been at least twice as common in the public as the private or non-profit sectors.

Most organisations have a training budget. Items covered vary across organisations, although most cover external courses and conferences, hiring external consultants and trainers, and books/training manuals.

The median annual training budget per employee was £303 (2012: £276; 2011: £350), but this masked considerable variation within and across sectors. As in previous years the median training budget per employee was lowest in the public sector.

The median number of training hours employees receive per year was 25, similar to last year (24), with no significant differences across sectors.

In very similar findings to last year, just one in nine organisations anticipate an increase in learning and talent development funding in the next 12 months. Over two-fifths of the public sector and one-fifth of private sector and non-profit organisations anticipate reductions, although these predictions are less pessimistic than in last year's survey.

1 TRENDS IN LEARNING AND TALENT DEVELOPMENT (L&TD)

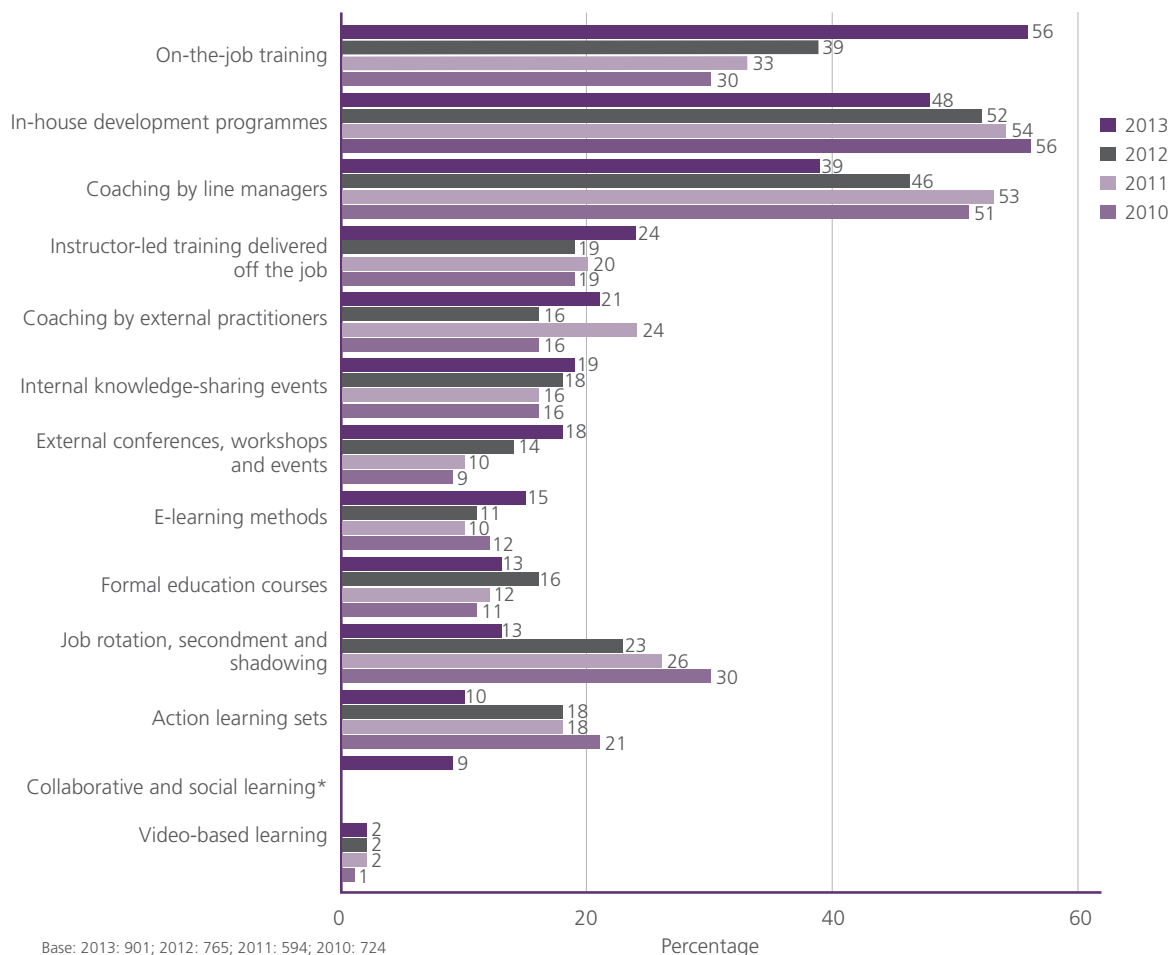
One of the aims of the CIPD *Learning and Talent Development* survey is to track changes in workplace learning and talent development. This section examines which learning and talent development practices are considered most effective and whether views have changed over the past few years. It also includes a new question which explores the practices most commonly used.

Finally we investigate anticipated future changes affecting learning and talent development.

Effectiveness of learning and talent development practices

Figure 1 shows that on-the-job training, in-house development programmes and coaching by line managers have ranked among organisations'

Figure 1: Which three learning and talent development practices do you believe are most effective?



most effective learning and talent development practices for the last five years. Moreover, we have seen a steady increase, which has accelerated this year, in the proportion that rank on-the-job training among their most effective methods. Nearly three-fifths of respondents (56%) now rank this among their most effective L&TD methods compared with two-fifths last year and just over a quarter in 2009.

In contrast, there has been a decline in the proportion ranking coaching by line managers among their most effective L&TD methods. This is likely to be related to the increase in the proportion of organisations reporting that coaching/mentoring/developing staff is one of the main areas in which their leaders lack skills (2013: 48%; 2012: 40%; see section on *Leadership skills' deficit*, page 22). Effective coaching requires skilled coaches. Nevertheless, while the proportion ranking coaching among their most effective L&TD methods has decreased, the proportion ranking it among their most effective *talent management activities* has not and it remains top of the ranking

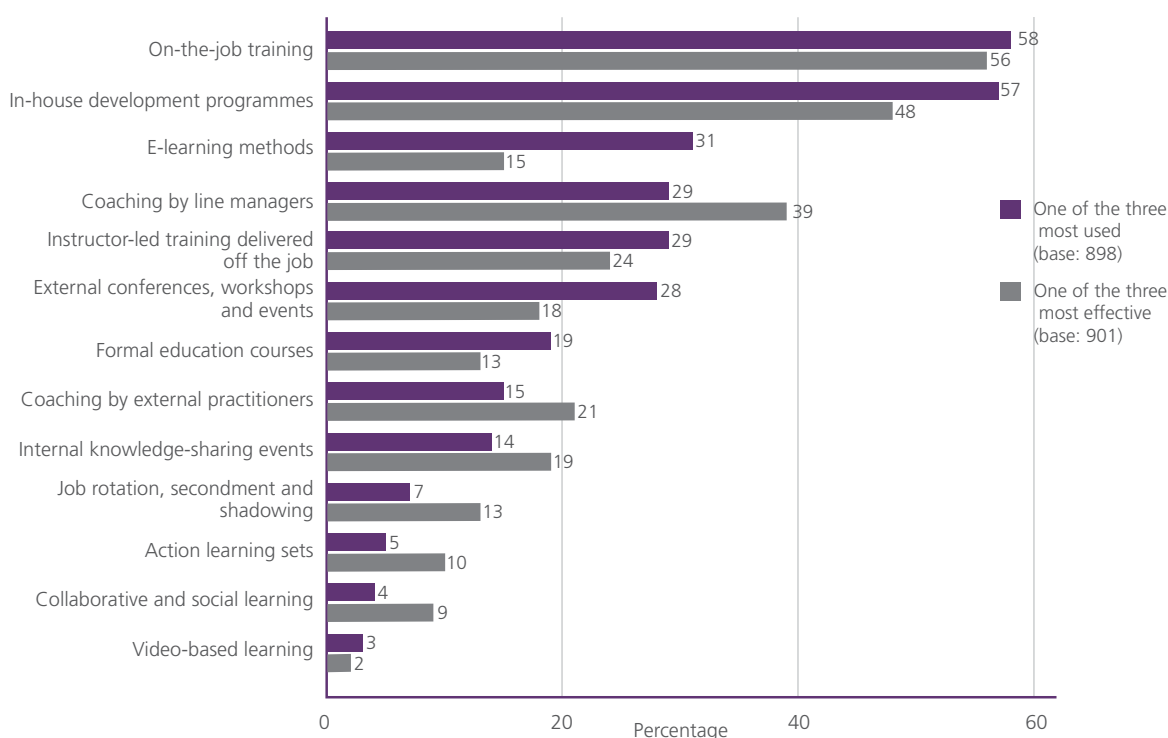
(Figure 9). Coaching those identified as talent may be considered to be more effective than coaching employees generally.

There has also been a drop this year in the proportion ranking job rotation, secondments and shadowing among their most effective L&TD methods. Today's climate of austerity and, for many, ongoing uncertainty, may mean specific, on-the-job training is seen to have more immediate benefits than methods such as job rotation and secondments, which develop broader skills and may be seen as a longer-term investment. As our innovation research project shows, it is also the most effective method for driving innovation.

The most commonly used learning and talent development practices

This year we asked an additional question to find out which learning and talent development practices were most used by organisations (Figure 2). The most common methods, used by nearly two-thirds of respondents, were on-the-job training and in-house development programmes,

Figure 2: Which three learning and talent development practices do you most commonly use?



followed by e-learning, instructor-led training delivered off the job, coaching by line managers and external conferences, workshops and events.

In general, the most commonly used methods were those considered most effective. The greatest discrepancies were regarding e-learning methods and external conferences and events, which were more likely to be among the most used L&TD methods than among the most effective (although Figure 1 shows small increases in the proportion ranking these methods among their most effective over the past few years). E-learning methods are commonly used for specific types of training (such as health and safety, hygiene, data protection, induction and technology training) but are seen to be more effective when combined with other types of learning and not a substitute for face-to-face or classroom learning (see *Effectiveness of e-learning*, page 16). External conferences and events need to address specific organisational needs to maximise their effectiveness.

Anticipated changes over the next two years

Respondents were asked which three major organisational changes would most affect learning and talent development in their organisation over the next two years (Table 1). In similar findings to the last two years, the most commonly anticipated major change was a greater integration between coaching, organisational development and performance management to drive organisational change (45%). Others anticipated significant changes from closer integration or linking of learning and talent development with other areas, including business strategy (26%), performance management (26%) and organisational development (17%).

Last year, we found that the private sector was particularly likely to be anticipating changes in these areas. This year, however, there were no significant sector differences, suggesting that the public and non-profit sectors are joining the move towards a more integrated approach to learning and talent development, organisational development and performance management.

A third of respondents (33%) anticipated major changes in the form of greater responsibility devolved to learners and line managers (2012: 40%; 2011: 38%). Three in ten reported more emphasis on monitoring, measuring and evaluating training effectiveness, reflecting the need to demonstrate value for money in the current economic climate.

Public sector organisations, which are most likely to use e-learning (see section on *E-learning*), were more likely than the private sector to anticipate major changes over the next two years from a greater increase in its use (37% compared with 25% in private services and 22% in manufacturing and production).¹

Table 1: What will be the three major organisational changes affecting learning and talent development in organisations over the next two years? (%)

	All respondents	Manufacturing and production	Private services	Public sector	Voluntary, community and not-for-profit
Greater integration of coaching, organisational development and performance management to drive organisational change	45	44	44	48	46
Greater responsibility devolved to learners and line managers	33	37	33	33	30
More emphasis on monitoring, measuring and evaluating training effectiveness	29	30	29	30	29
Greater use of e-learning across the organisation	29	22	25	37	32
Closer integration of learning and talent development activity and business strategy	26	28	25	24	29
Linking of learning and talent development with performance management	26	34	26	24	20
More use of short, focused delivery methods such as 'bite-sized' learning	19	16	23	15	20
Linking of learning and talent development with organisational development	17	12	18	19	17
More emphasis on measurement of training effectiveness	14	21	14	13	12
More use of social networking technology (for example, Twitter, Facebook, LinkedIn, Yammer, Jive)	14	7	16	14	16
Less use of classroom and trainer-led instruction	10	9	9	13	11
Greater centralisation of learning and talent development as a function	9	9	9	11	7
More use of social and collaborative learning	7	5	10	4	11
More use of apps designed for smartphone and other mobile devices	5	5	5	3	6
Other	2	2	2	2	2

2 E-LEARNING, COLLABORATIVE AND SOCIAL LEARNING

This section explores the use of e-learning in organisations, including the proportion of employees who use it, the proportion of training it accounts for and the methods used. The effectiveness and benefits of e-learning are considered. Where comparable we examine changes from when we last explored this area in 2011. For the first time we also explore what organisations regard as 'social learning' and its relevance for learning and talent development strategy and supporting employee performance.

Use of e-learning

For our survey we defined e-learning as using information and communications technology to support, accelerate and develop learning. Overall three-quarters (74%) of organisations report they use e-learning, showing little change from our 2011 survey (78%). It is particularly common in the public sector (90%; manufacturing and production: 61%; private services: 70%; non-profits: 64%) and is more common in larger organisations (more than 5,000 employees: 93%; 250–999 employees: 73%; fewer than 50 employees: 56%).²

Extent of e-learning

Nearly three-quarters (72%) of organisations that use e-learning offer it to the majority (76–100%) of their employees, up from 63% in 2011. Many employees, however, either fail to take up or to complete the course. Just a third report that the majority (76–100%) of their employees take up e-learning, while just over a fifth report that only a minority (0–25%) take it up. Just 31% report

that most employees (76–100%) complete the course, although this is a slight improvement on 2011 (23%). An additional 13% don't know the proportion that completes the course (2011: 15%).

Public sector organisations were most likely to offer e-learning to the majority of employees and manufacturing and production organisations the least (78% of the public sector and 58% of manufacturing and production offer it to 76–100% of employees). Take-up and completion of courses is slightly higher in the private services sector and poorest in the non-profit sector.³

Proportion of training time accounted for by e-learning

Although the majority of organisations use e-learning, it currently accounts for a relatively small proportion of total training time in most organisations. Approximately two-fifths report it makes up less than 10% of their total training time and over a quarter that it accounts for 11–25% of their total training time. Just one in ten reports it makes up more than half of their total training time.

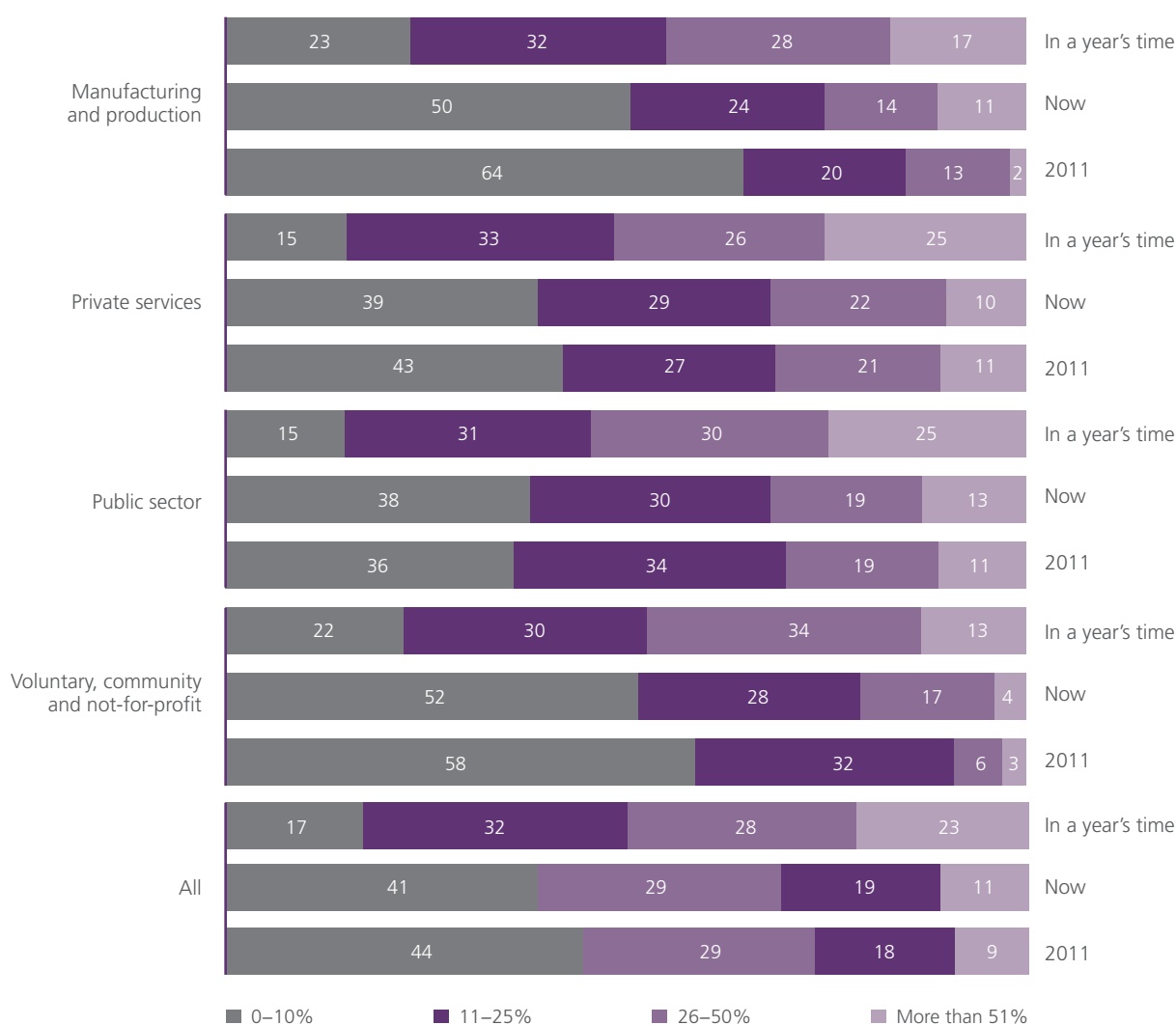
Despite widespread expectations in our 2011 survey that e-learning would account for an increasing proportion of training time, our findings suggest it has actually changed very little since then, particularly in the private services and public sector where it was, and continues to be, used more extensively as a proportion of training time (Figure 3). The greatest increases are observed in the manufacturing and production sector. The proportion in this sector reporting that

e-learning accounts for less than 10% of their total training time has reduced to 50% from nearly two-thirds in 2011 and the proportion reporting it accounts for more than half of training time has increased from 2% in 2011 to 11%.

Most respondents predict increases (of a similar scale to those anticipated in 2011) in the use of e-learning over the next year (Figure 3). Whether

these predictions will be realised any more than those of 2011 remains to be seen. Our findings, reported below, that most respondents believe that e-learning is not a substitute for face-to-face or classroom learning in their organisation suggests that the anticipated growth will not be seen in the near future. Organisations may be better to focus on encouraging take-up and completion of their existing e-learning courses.

Figure 3: Proportion of total training time delivered by e-learning in 2011, now and in one year's time (% of respondents)*



*Don't know responses were excluded for comparability
Base: 2013: 672; 2011: 453

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E-learning methods used

Organisations were asked which methods of e-learning they have used to support aspects of learning and talent development. The findings in Figure 4 show that many organisations are making use of a range of technologies even if for most it is only occasionally. In particular, three-quarters of organisations use online virtual learning, at least occasionally, while over three-fifths use learning management systems and webinars/virtual classrooms, at least occasionally.

Effectiveness of e-learning

As we found in 2011, the vast majority of respondents (91%; 2011: 93%) believe that e-learning is more effective when combined with other types of learning and nearly three-quarters agree/strongly agree it is not a substitute for face-to-face or classroom learning in their organisations (2011: 77%). Nevertheless, nearly three-quarters agree/strongly agree it is essential in today's collaborative and networked learning and three-fifths (62%) that it is a very effective method of supporting learning in the organisation (2011:

64%). In little change from 2011, just over a quarter agree/strongly agree that e-learning is the most important development in L&TD in recent years (Figure 5). Most also agree that L&TD needs new skills in design and implementation of e-learning for it to be truly effective.

Social learning

In order to identify the perceived relevance of social learning to organisations we first explored what respondents understand by the term. Figure 6 shows that respondents understand the term in different ways. More than two-thirds include group webinars and mentoring/peer-to-peer learning in their definition of social learning. Nearly as many consider learning around the water cooler to be social learning, although this was more commonly the case among public and non-profit sector respondents (70–71%) than those from the private sector (61%).⁴

Half considered learning on the job to be social learning, while just a third included using collaborative platforms such as Jive or Salesforce or online forums as social learning.

Figure 4: Methods of e-learning used to support aspects of learning and talent development (%)

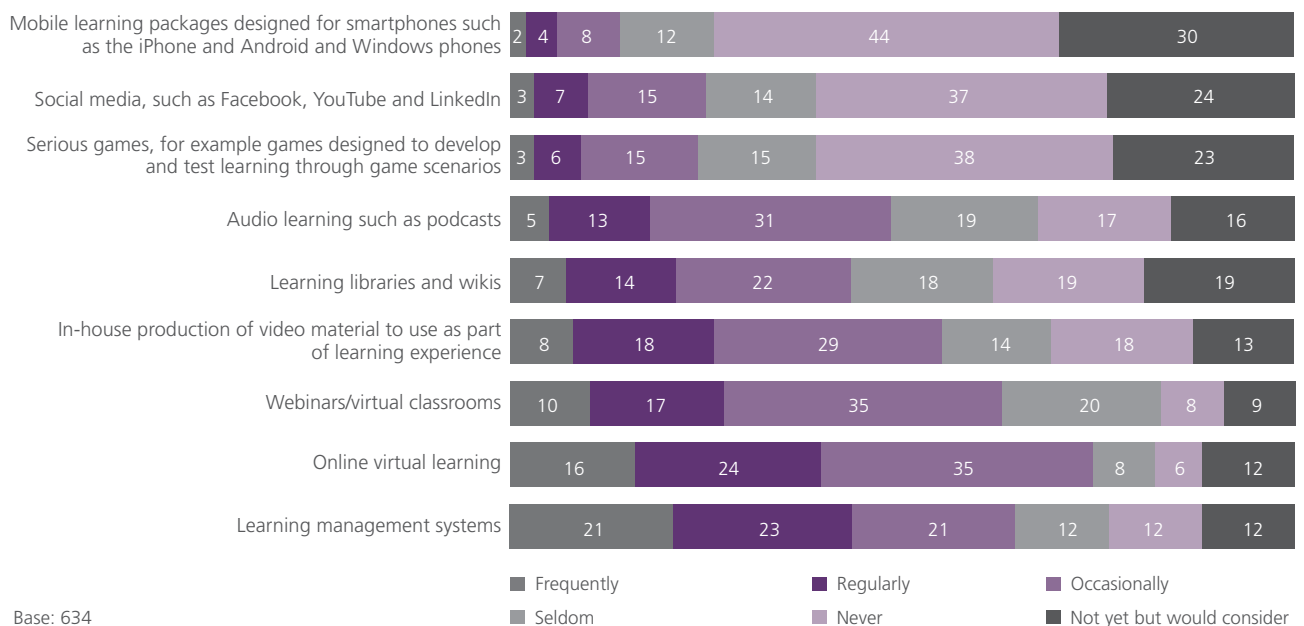
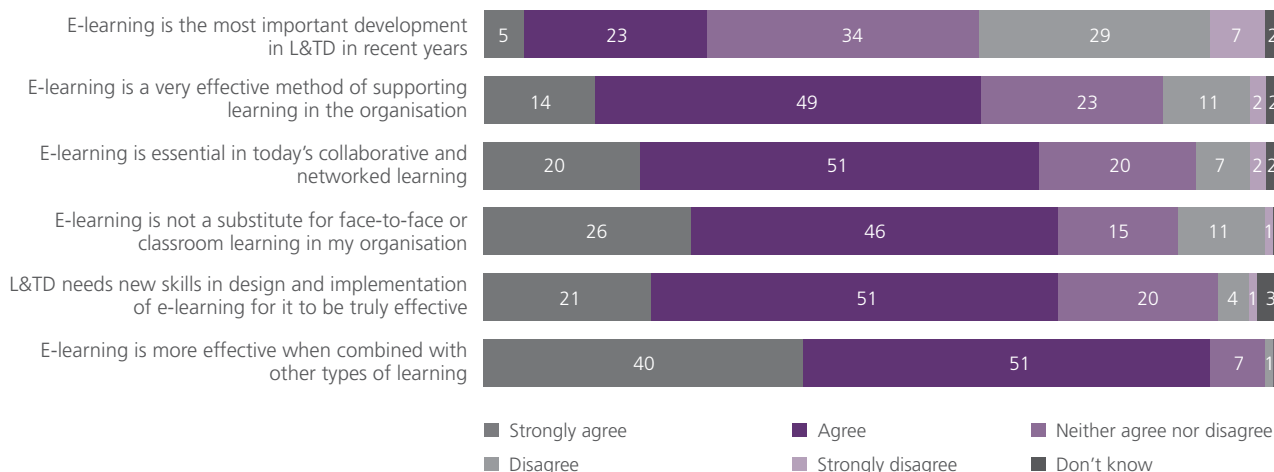


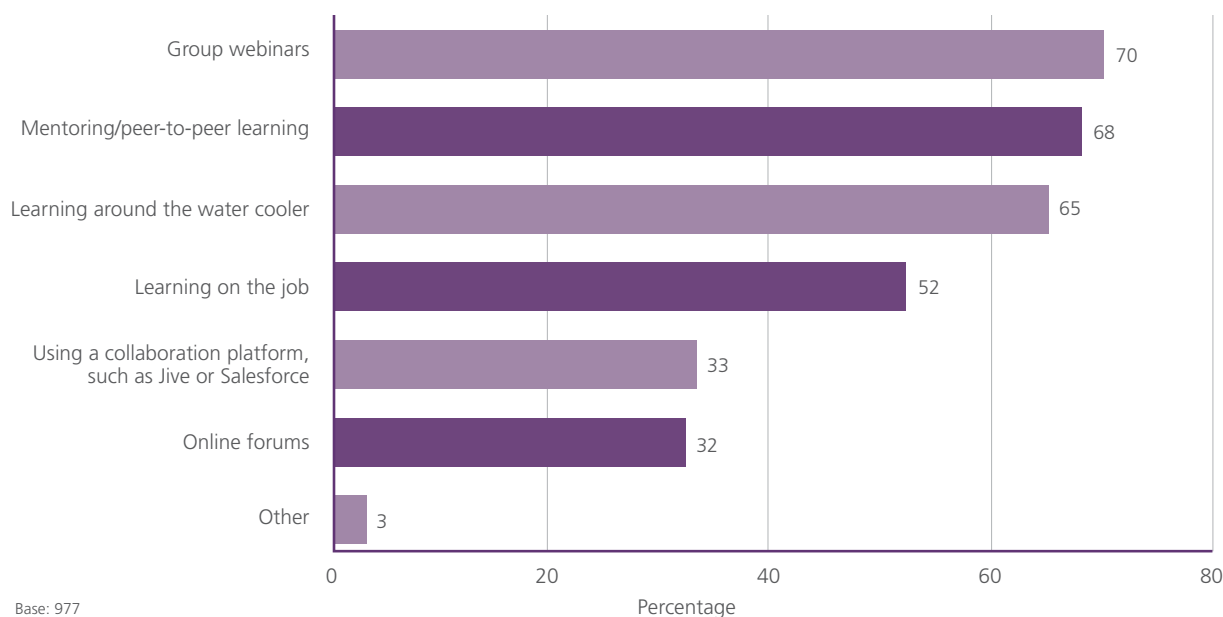
Figure 5: View on the role and effectiveness of e-learning (% of all respondents)

Base: 992

Influence of social learning

Just over two-fifths of those with responsibility for/involved in determining the learning and talent development needs of their organisation reported that social learning was an important part of their learning and talent development strategy (11% don't know). Those in very small organisations (fewer than 50 employees) were most likely to report it is important (61%).

The majority of respondents, across all sizes of organisation, believe that social learning will be important (48%) or very important (12%) in supporting employee performance in their organisations over the next 12 months. One in four believes it is not important/very unimportant, although this rises to over a third of manufacturing and production organisations. Overall, one in seven (14%) remain unsure about the influence of social learning on employee development.

Figure 6: What would you regard as social learning?

Base: 977

3 TALENT MANAGEMENT

The ongoing weak economic climate has combined pressures to reduce costs with a heightened need for an efficient and productive workforce, accentuating the need for effective and strategic management of talent. This section examines the popularity of talent management schemes, the employee groups they target, their objectives and effectiveness.

Prevalence of talent management activities

Nearly three-fifths (57%) of organisations report they undertake talent management activities, showing little change from previous years.⁵

The likelihood of organisations having talent management activities is related to their size, with more than four-fifths of very large organisations (more than 5,000 employees) undertaking such activities compared with two-fifths of very small organisations (fewer than 50 employees).⁶

Regardless of organisational size, talent management activities are most common in the private sector (particularly manufacturing and production) and least common in the non-profit sector (manufacturing and production: 71%; private services: 62%; public sector: 56%; non-profits: 35%).⁷

Employees included in talent management activities

Most organisations target talent management activities at particular employee groups, although smaller organisations are more able to include all employees (fewer than 50 employees: 58% include all; more than 1,000 employees: 27% include all).⁸ As we found last year, high-potential employees are most likely to be targeted, followed by senior

managers and graduates (see Table 2). The private sector is more likely to include a higher proportion of high-potentials, senior managers and graduates in its talent activities than the public and non-profit sectors (even when size is taken into account).⁹

Objectives of talent management activities

The objectives of talent management activities have changed very little over the past two years. Talent management tends to be targeted at future leaders and high-potential employees (particularly in larger organisations¹⁰) and more focused on the long-term success of the organisation (facilitating strategic success and meeting future skill requirements) than on more immediate development issues such as addressing skill shortages or the redeployment of staff to other roles (Figure 7).

Retention of key staff was more likely to be a key objective of talent management activities in the private (40%) than the public (26%) or non-profit sectors (28%).¹¹ Non-profit organisations were more than twice as likely as those from other sectors to report a key objective of their talent management activities is to support changes in the organisational structure or business environment (35% compared with 14–15% of those from other sectors).¹²

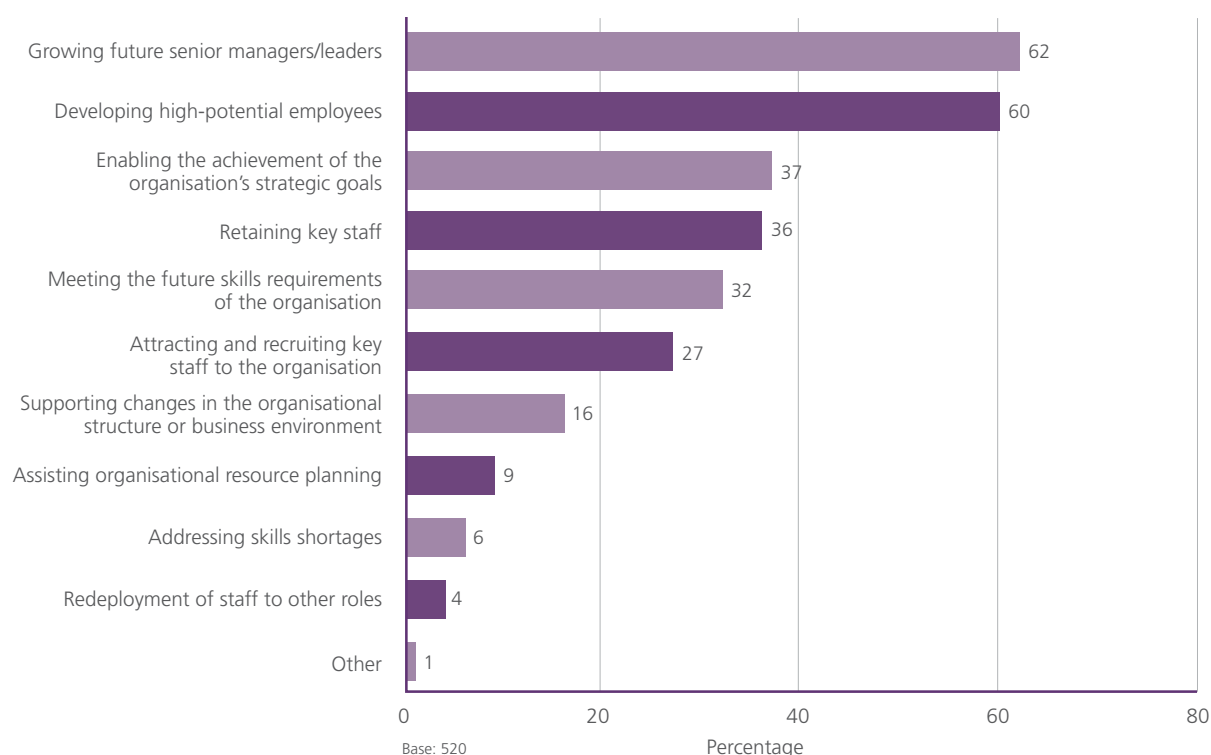
Effectiveness of talent management activities

Less than one in ten (8%) of those with talent management activities believe their activities are very effective, while 11% believe they are fairly or very ineffective. Clearly most organisations have some way to go to maximise the benefits of their talent management programmes. Nevertheless, Figure 8 shows an improving trend over the last

Table 2: Percentage of employees that are covered by talent management activities (% of respondents with talent management activities)

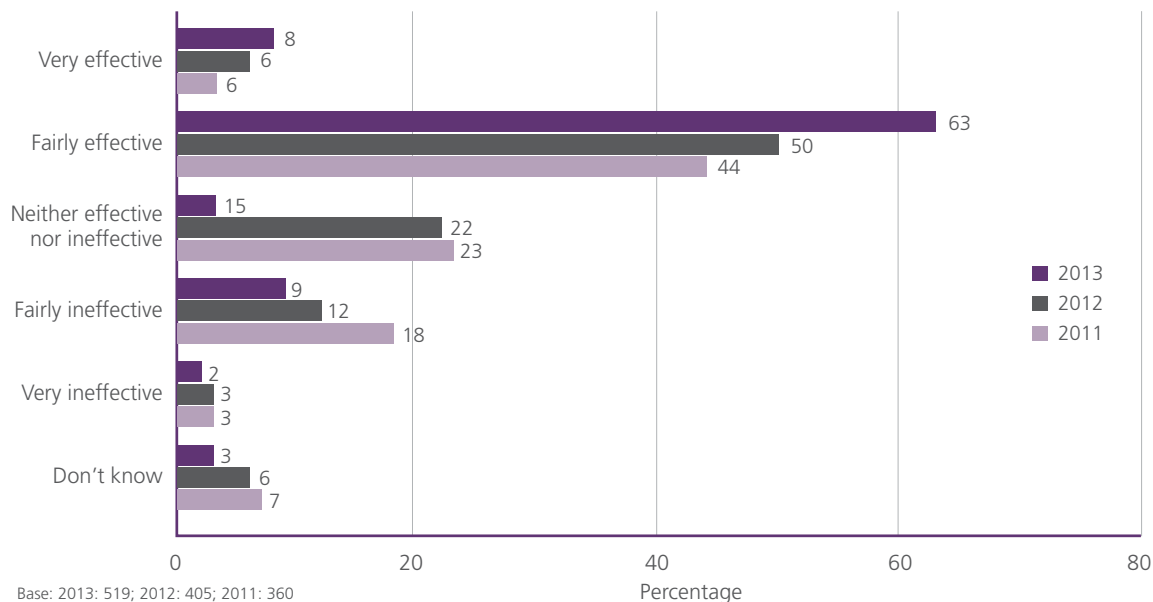
	All		Manufacturing and production		Private services		Public sector		Voluntary and not-for-profit	
	75–99%	100%	75–99%	100%	75–99%	100%	75–99%	100%	75–99%	100%
All staff (base: 458)	5	37	1	32	6	37	9	38	0	45
High-potential employees (base: 425)	16	39	21	45	16	43	18	28	3	36
Junior managers (base: 409)	8	27	4	34	8	28	13	20	3	27
Middle managers (base: 416)	9	29	7	38	7	30	11	23	12	24
Senior managers (base: 409)	13	35	11	43	13	39	16	24	9	30
Technical specialists (base: 395)	12	24	15	33	9	24	17	15	6	34
Graduates (base: 395)	7	37	7	45	6	41	12	23	4	36

Figure 7: Which three of the following best represent the main objectives of your organisation's talent management activities? (% of respondents with talent management activities)



LEARNING AND TALENT DEVELOPMENT

Figure 8: How would you rate the effectiveness of your organisation's talent management activities? (% of organisations with talent management activities)



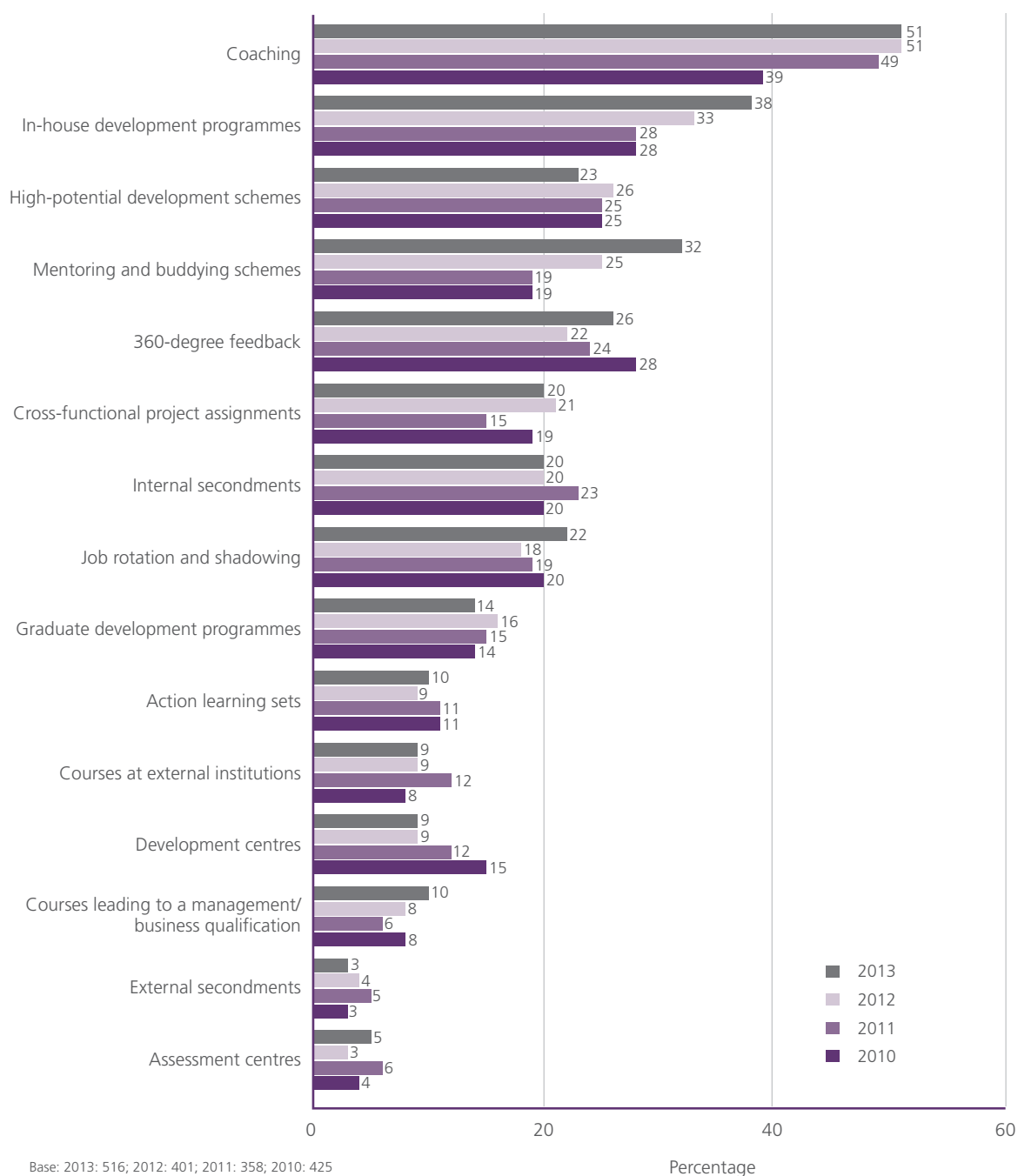
few years (observed across all sectors), with 71% now ranking their talent management activities as at least 'fairly effective' compared with less than half in 2011.

Small organisations (fewer than 50 employees) were most likely to report their talent management activities are effective (88% fairly or very effective)¹³ and very large organisations (more than 5,000 employees) the least (66% very or fairly effective). There were no significant sector differences, however, nor did having a specific training budget have a significant impact on effectiveness ratings.

As in previous years, coaching and in-house development remain among the most effective talent management activities (Figure 9). Moreover, the proportion ranking in-house development among their top three most effective activities has increased from 28% in 2010 and 2011 to 38% this year. More organisations also rank mentoring and buddying among their top methods (32% compared with 19% in 2010).

Effectiveness rankings varied across sectors, perhaps reflecting differences in the use of practices. Manufacturing and production organisations were most likely to rank graduate development programmes and cross-functional project assignments among their most effective activities. Along with the public sector they were also more likely to rank job rotation and shadowing among their most effective methods. In contrast, the non-profit sector was particularly likely to rank in-house development programmes, 360-degree feedback and courses leading to a management/business qualification among their most effective methods.¹⁴

Figure 9: Of the talent management activities used by your organisation, which three are the most effective? (%)



4 LEADERSHIP DEVELOPMENT

An organisation's success and sustainability in an uncertain climate requires skilled leaders to provide direction, guide decision-making and manage change. This section explores the extent and focus of leadership development activities and gaps in skills.

Leadership development activities

In similar findings to last year, most organisations (85%) report that they will be carrying out leadership development activities in the next 12 months. Only 6% reported they would not do so while 10% didn't know. Larger organisations are more likely to be carrying out leadership development activities (92% of organisations with more than 250 employees compared with 73% of SMEs).¹⁵ Once size is taken into account there are no significant differences across sectors.

Focus of leadership development activities

The main focus of leadership development activities is very similar to last year. Half of respondents report a key focus will be improving the skills of leaders to think in a more strategic and future-focused way. Other common objectives include enabling the achievement of the organisation's strategic goals (45%), developing high-potential individuals valued by the organisation (particularly in the private sector: 49% compared with 33% in the public, 41% overall) and producing a common standard of behaviour and ethics for those in leadership roles (36%).

Smaller proportions (just under a fifth overall) will be focusing on changing the leadership style across the organisation or the prevailing organisational

culture, although the latter is more common in the public sector (24% compared with 15% in the private sector).¹⁶ Approximately one in six will focus on addressing the current underperformance of leaders or developing innovation and creativity to improve business performance.

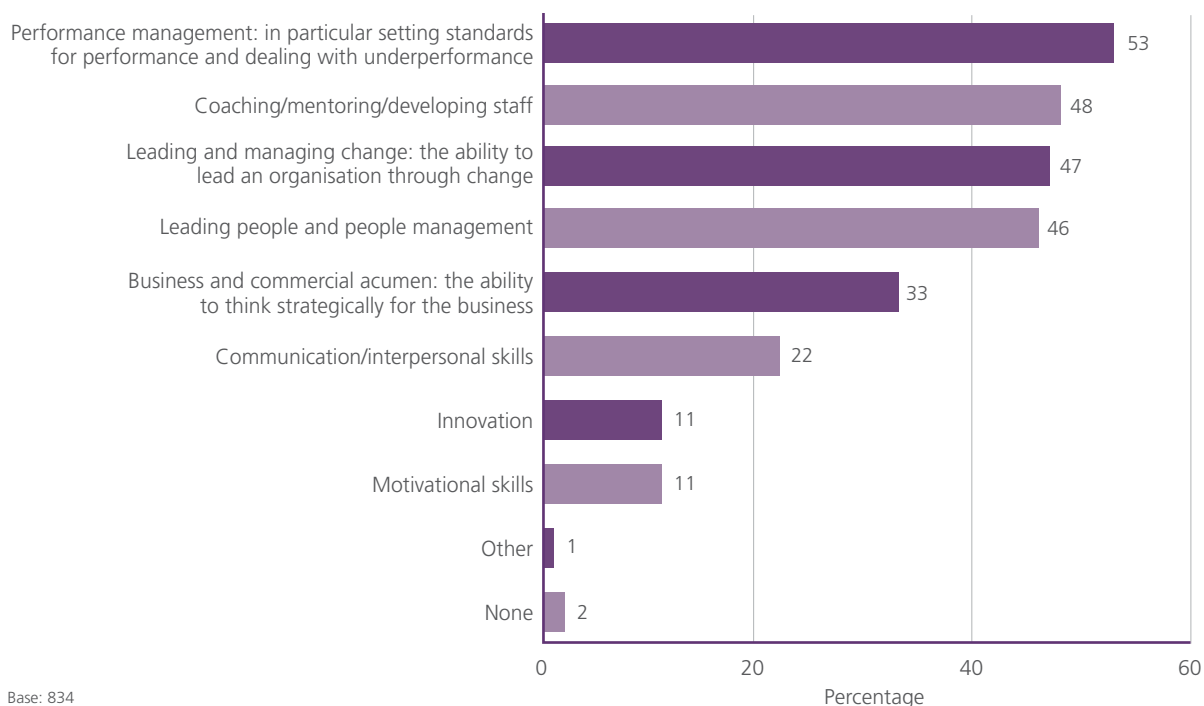
Only a minority will include developing global business or preparing and developing international/cross-cultural managers among their leadership priorities (even among those with offices in more than one country). Similarly only a minority will be focusing on improving relationships with external or partner organisations (6%), although this is more common in small and medium-sized organisations (12% of SMEs compared with 3% of those with more than 250 employees).¹⁷

Leadership skills' deficit

Organisations were asked to identify a maximum of three leadership skills in which they had identified gaps. In findings similar to previous years, more than half reported deficits in performance management skills and nearly as many reported gaps in skills for coaching/mentoring and developing staff, leading and managing change and leading people and people management (Figure 10).

Large organisations with more than 1,000 employees were more likely than smaller ones to report they have skills deficits in leading and managing change (fewer than 100 employees: 40%; more than 1,000 employees: 55%).¹⁸ In addition, as in previous years, the public sector was particularly likely to report

Figure 10: Which of the following leadership skills, if any, have you identified gaps in? (Please select a maximum of three) (% of those with leadership development activities)



a skills gap in this area (53% compared with 41% of the private sector).¹⁹ Nevertheless, this shows a considerable improvement on previous years (2012: 64%; 2011: 71% of the public sector reported a skills gap in this area).

The private sector was particularly likely to report their leaders lack skills for coaching, mentoring and developing staff (53% compared with 40% of the public sector, 44% of the non-profit sector).²⁰ In contrast, the non-profit sector is most likely to report gaps in performance management skills, in particular setting standards for performance and dealing with underperformance (64% compared with 55% of the public and 48% of the private sector).²¹

5 APPRENTICESHIPS

Skills policy is relatively high on the public policy agenda as skills are seen as essential to the growth of the economy and the well-being of society. As part of its skills policy the Coalition Government has increased spending on apprenticeships and introduced reforms to improve the quality and accessibility of apprenticeships. This section examines the use and perceived benefits of apprenticeships, awareness of general policy changes in England and Wales and of specific help for small and medium enterprises (SMEs).

Use of apprenticeships

Overall, nearly half (49%) of respondents report their organisation employs apprentices. Their use is most common in medium and large organisations and tends to increase with size (Table 3).²² Manufacturing and production organisations, particularly those with more than 250 employees, are particularly likely to employ apprentices, followed by the public sector.²³

The non-profit sector is least likely to employ apprentices, although nearly half of non-profits with 250–999 employees do so.

The benefits of employing apprentices

The vast majority of respondents (91%) agree that employing apprentices is an investment in the future of young people, with more than half in strong agreement with this statement (Figure 11).²⁴ The majority also agree that employing apprentices ‘helps build a talent pipeline and grows your own workforce’ (84%) and ‘helps us to get the skills we need’ (68%).

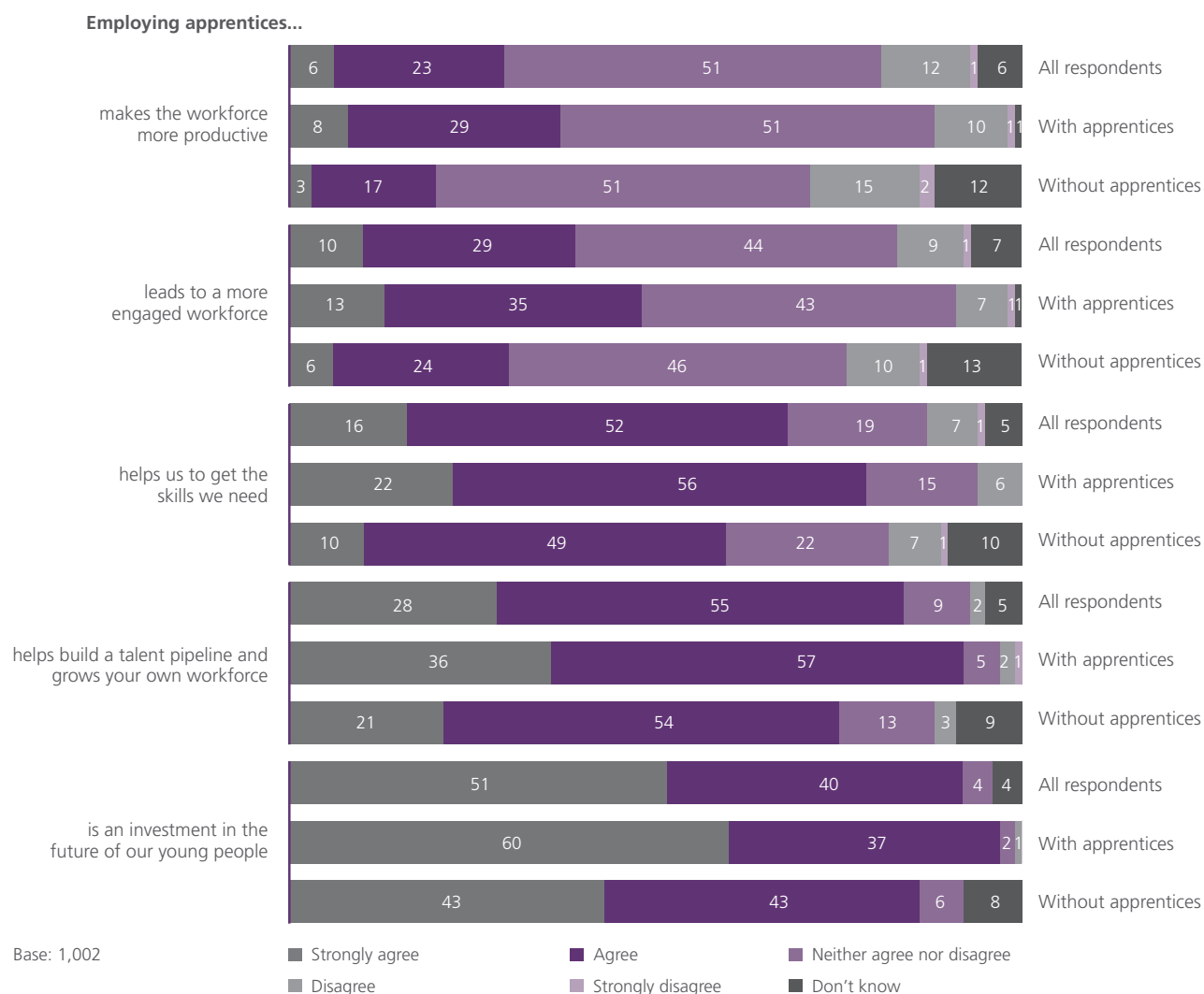
There is less agreement regarding whether apprentices lead to a more engaged workforce (39% believe it does) and just three in ten agree that employing apprentices makes the workforce more productive. Nevertheless, more ‘neither agree nor disagree’ than actively ‘disagree’ that employing apprentices increases productivity and engagement. This may imply that respondents believe there is scope for apprenticeships to build productivity and engagement under particular conditions.

Moreover, the views of those who employ apprentices are more positive on all these statements (Figure 11). Apprenticeships clearly

Table 3: Organisations employing apprentices by size and sector (% of respondents)

No of employees	All respondents	Manufacturing and production	Private services	Public sector	Voluntary, community and not-for-profit
All sizes	49 (1,002)	69 (126)	41 (446)	59 (290)	35 (140)
Fewer than 50	18 (139)	25* (8)	15 (96)	25* (8)	26 (27)
50–249	42 (229)	53 (38)	41 (111)	44 (32)	35 (48)
250–999	53 (224)	86 (35)	43 (92)	52 (56)	46 (41)
1,000–4,999	56 (190)	68 (19)	56 (59)	62 (91)	24 (21)
More than 5,000	64 (218)	85 (26)	56 (88)	66 (101)	33* (3)

* % based on low number of respondents
Number of respondents shown in brackets

Figure 11: Views on employing apprentices (% of all respondents and those with and without apprentices)

play an important role in helping a significant proportion of organisations grow the skills they need, particularly in the production and manufacturing sector.²⁵ Our findings that nearly half of those with apprentices also believe they lead to a more engaged workforce and nearly two-fifths that they make the workforce more productive suggests the benefits can indeed be more expansive than simply addressing skill and talent requirements.

Awareness of public policy changes

Table 4 shows that a significant proportion of organisations were not aware of recent public

policy changes that affect apprenticeships. Even among those who employ apprentices and are involved in determining learning and talent development needs, two-fifths were not aware that the Skills Funding Agency will tighten contracts to allow public money to be withdrawn from training providers where training fails to meet the required quality standards. Less than two-fifths of organisations had integrated this into their planning. Only slightly more (63%) were aware of the drive towards a greater employer ownership of skills, where employers apply directly to get funding for their skills and training solutions.

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Table 4: Awareness and integration of public policy changes in England and Wales (% of those with operations in England and Wales)

	Employs apprentices and is responsible for/involvement in determining L&TD needs (base: 333)				Employs apprentices (base: 435)	Responsible for/involvement in determining L&TD needs (base: 688)
	Aware of and integrated into our apprenticeship planning	Aware of and planning to integrate	Aware of and not planning to act at present	Not aware	Not aware	Not aware
From August 2012 all apprenticeships for 16–18-year-olds must last for at least 12 months	62	10	7	21	26	34
Apprenticeships must deliver significant new learning rather than just accrediting existing knowledge and learning	55	16	6	23	27	35
The Skills Funding Agency will tighten contracts to allow public money to be withdrawn from training providers where training fails to meet the required quality standards	38	13	11	39	40	46
There is a drive towards a greater employer ownership of skills where employers apply directly to get funding for their skills and training solutions	30	18	15	37	39	42

Three-fifths of those with apprentices (and involved in determining learning and talent development needs) report that they have integrated changes that require all apprenticeships for 16–18-year-olds to last for at least 12 months into their planning (and a further 10% planned to do so). Nevertheless, over a fifth of this group were not aware of this change and nearly a quarter were not aware that apprenticeships must deliver significant new learning rather than just accrediting existing knowledge.

Lack of awareness was slightly higher among those who did not have any responsibility for learning and talent development needs and/or did not employ apprentices (Table 4). Further work is

clearly required to ensure that these public policy changes have their desired effect in improving the accessibility and quality of apprenticeships.

Awareness of specific help for SMEs

Following the Government's Holt Review of apprenticeships (published in May 2012), which found that only a minority of SMEs employ apprentices, a number of initiatives have been introduced to encourage and make it easier for SMEs to do so.

Our findings suggest that a significant proportion of SMEs (fewer than 250 employees) with operations in England and Wales remain unaware of these initiatives. Overall, three-fifths were unaware of the

dedicated fast-response SME enquiry centre within the National Apprenticeship Service (NAS) or the establishment of group training associations (GTAs) and apprenticeship training associations (ATAs). Nearly half were unaware of the better guidance on apprenticeships aimed specifically at SMEs and just over two-fifths were unaware of the £1,500 single-stage subsidy* to help SMEs employ apprentices.³ Those with responsibility for learning and talent

development were not significantly more likely to be aware of the initiatives.

SMEs that do not employ apprentices were significantly more likely to be unaware of the initiatives;²⁶ nevertheless, a third to half of those that do were also unaware (Table 5). Only a small minority of those without apprentices who were aware of the initiatives were planning to act on them.

Table 5: Awareness and integration of public policy changes in England and Wales (% of SMEs with operations in England and Wales)

	Aware of and integrated into our apprenticeship planning	Aware of and planning to integrate	Aware of and not planning to act at present	Not aware
All SMEs (base: 306)				
£1,500 single-stage subsidy to help SMEs employ apprentices*	16	8	34	42
Better guidance on apprenticeships aimed specifically at SMEs	13	8	31	48
The establishment of group training associations (GTAs) and apprenticeship training associations (ATAs) to make it easier for SMEs to employ apprentices	9	5	29	57
A dedicated fast-response SME enquiry centre within the National Apprenticeship Service (NAS)	8	6	25	62
SMEs with apprentices (base: 104)				
£1,500 single-stage subsidy to help SMEs employ apprentices*	43	12	13	32
Better guidance on apprenticeships aimed specifically at SMEs	35	14	13	38
The establishment of group training associations (GTAs) and apprenticeship training associations (ATAs) to make it easier for SMEs to employ apprentices	26	10	16	48
A dedicated fast-response SME enquiry centre within the National Apprenticeship Service (NAS)	21	13	13	54
SMEs without apprentices (base: 202)				
£1,500 single-stage subsidy to help SMEs employ apprentices*	2	5	45	48
Better guidance on apprenticeships aimed specifically at SMEs	2	5	41	52
The establishment of group training associations (GTAs) and apprenticeship training associations (ATAs) to make it easier for SMEs to employ apprentices	0	3	36	61
A dedicated fast-response SME enquiry centre within the National Apprenticeship Service (NAS)	0	2	31	67

* This subsidy has been extended to organisations with fewer than 1,000 employees. Forty-five per cent of those with fewer than 1,000 employees were not aware of this subsidy. There were no significant differences between organisations with fewer than 250 employees and those with 251–999 on any of the items in Table 5.

6 UNION LEARNING REPRESENTATIVES (ULRs)

Union learning representatives (ULRs) focus on union members' personal and professional learning interests, offering individuals assistance and expertise on training and development issues. Many policy-makers, academics and some business leaders think ULRs could play a bigger role in the organisational learning agenda. In this section we examine who works with ULRs, views on how helpful they are and the roles organisations believe they should take.

ULRs most common in the public sector and larger organisations

The more unionised public sector was most likely to report they work with ULRs.²⁷ It is less common for private sector (particularly private services) or non-profits to report they work with them (Table 6). Across both the private and public sector, ULRs are more common in larger organisations.²⁸

ULRs assist learning and talent development

More than three-fifths of organisations with ULRs agree/strongly agree they are good for supporting basic skills such as literacy, numeracy and ICT and engaging employees in their own learning. They

are viewed as helpful and a good addition to their organisation's learning and talent development effort by more than half of respondents. While 24–31% 'neither agree nor disagree' with these statements, only a minority disagree that ULRs are good and helpful in these respects (Figure 12).

Half of respondents believe ULRs are less useful at developing higher-level learning (Figure 12) and 45% agree or strongly agree that ULRs have limited involvement in their type of learning and talent development approach. Moreover, one in seven agree or strongly agree that ULRs are unhelpful, getting in the way of their learning approach and pursuing their own agendas. These organisations may benefit from closer relationships with ULRs to aid understanding of and support for learning and talent development goals.

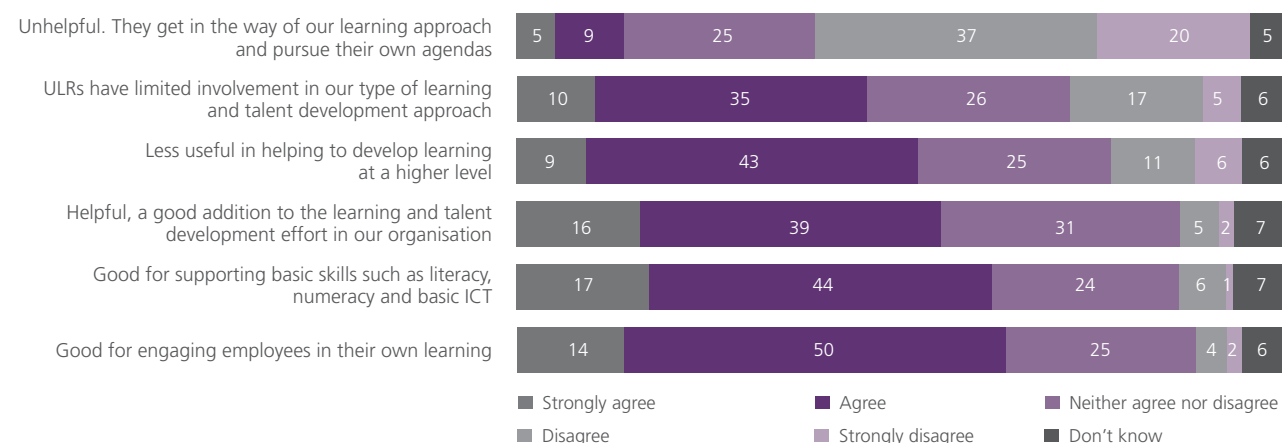
The role of ULRs

Organisations were also asked what they thought the role of ULRs should be. The majority of respondents believe that ULRs should be involved in a range of areas from improving basic skills, staff development and appraisal schemes, developing and

Table 6: Does your organisation work with ULRs? (%)

	Yes	No	Don't know
All respondents	15	71	14
Manufacturing and production	12	78	10
Private services	6	85	9
Public sector	36	40	24
Voluntary, community and not-for-profit	5	86	9

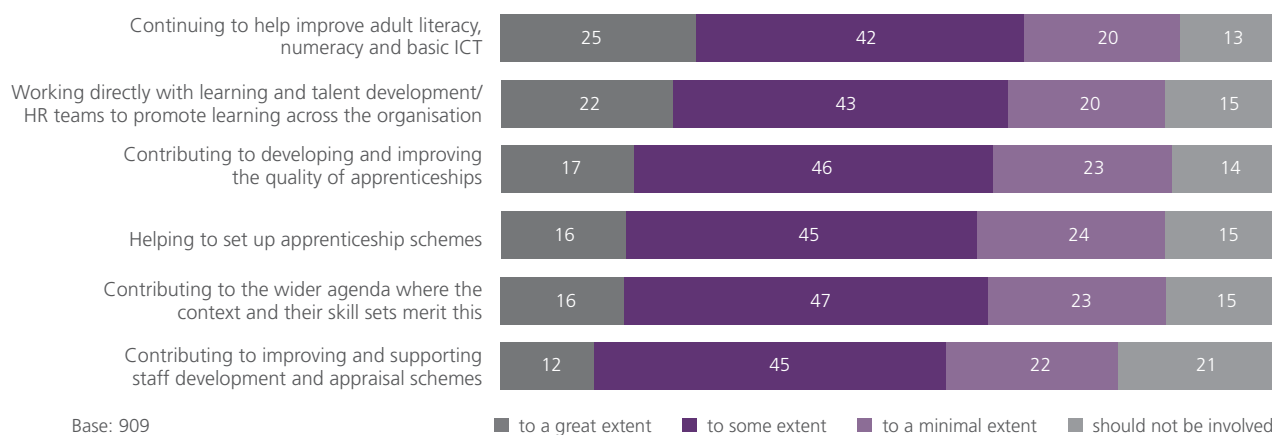
Base: 1,002

Figure 12: Views on union learning representatives (% of respondents with ULRs)

setting up apprenticeship schemes, working with the organisation to promote learning and contributing to the wider agenda where appropriate. However, approximately a fifth believe they should only be involved in these areas to a minimal extent and, while a quarter believe they should be involved to a great extent in improving basic skills, just one in eight believe ULRs should be involved to a great extent in improving and supporting staff development and appraisal schemes and a fifth felt they shouldn't be involved in this at all (Figure 13).

Respondents from the public sector were more likely than those in the private sector to report that ULRs should have a great involvement in all areas listed (regardless of whether they worked with ULRs or not).²⁹ They were considerably less likely to report that ULRs should not be involved at all (Figure 14).

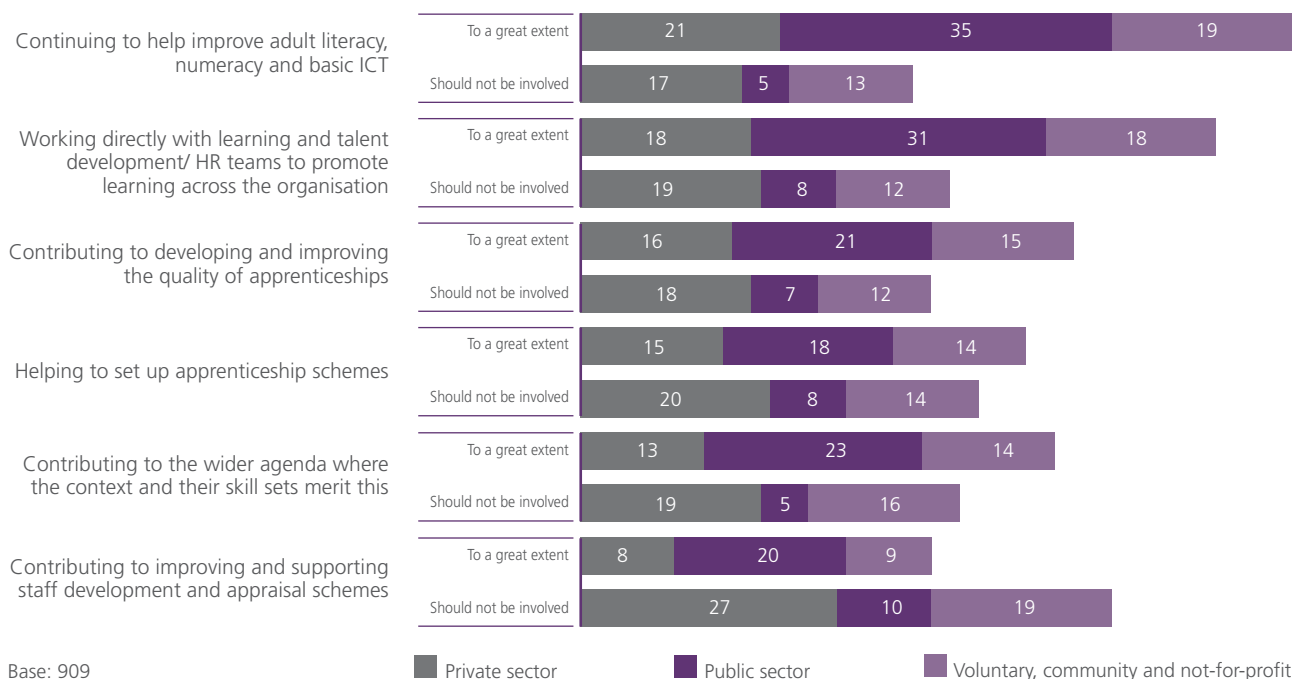
Across all sectors, those who worked with ULRs were more likely than those who didn't to report that ULRs should be involved to a great extent

Figure 13: Views on ULR involvement (% of respondents)**ULRs should be involved in....**

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Figure 14: Views on ULR involvement by sector (% of respondents)

ULRs should be involved in...



in all the listed areas of learning. In particular, they were more likely to believe ULRs should be involved to a great extent in: continuing to help improve adult literacy, numeracy and basic ICT (47% compared with 20% of those without ULRs); working directly with learning and talent development/HR teams to promote learning across the organisation (34% compared with 18% of those without) and contributing to the wider agenda where the context and their skill sets merit this (29% compared with 13% of those without).

7 EMPLOYEE ORIENTATION FOR NEW STARTERS (ONBOARDING)

Onboarding refers to the process and techniques through which new employees acquire the necessary knowledge, skills and behaviours to prepare them for their new role and integrate them into organisational life. Effective onboarding can increase job satisfaction, performance, organisational commitment and retention, and reduce stress.

The vast majority of respondents across all sectors (96%) report their organisations conduct onboarding activities, although very small organisations (fewer than 50 employees) are less likely to do so (88%).³⁰

The majority also believe that their organisation and senior employees are committed to

onboarding (71%); although one in five report that senior employees are not committed (10% don't know). Commitment is evident in the number of onboarding activities organisations carry out. Organisations that were reported to be committed to onboarding conduct a greater number of onboarding activities than those that are reportedly not committed (Table 7).

Onboarding activities typically include an introduction of the company and its background and a tour of the office (Table 7). Most organisations also provide job-specific and health and safety training, although the former is less common where there is not real commitment to onboarding. Over two-thirds provide compliance training. Approximately two-fifths overall provide

Table 7: Components of onboarding carried out by organisations (% of respondents who carry out one or more onboarding activities)

	Do you think your organisation and senior employees are committed to onboarding?		
	All (base: 954)	Yes (base: 692)	No (base: 166)
Company introduction and background	94	97	89
Training (job-specific)	87	92	66
Office tour	84	87	80
Training (health and safety)	84	86	78
Training (compliance)	69	72	62
Office buddy	44	50	32
Pre-onboarding (before officially starting)	38	43	22
Team lunch	26	30	11
Other	4	4	2

office buddies and pre-onboarding activities and a quarter offer team lunches.

Onboarding activities vary slightly by sector, with public sector organisations somewhat less likely to offer office tours or team lunches. The private sector was most likely to conduct pre-onboarding activities and least likely to conduct health and safety training.³¹

Very small organisations (fewer than 50 employees) were less likely to offer job-specific (78% vs. 87% overall), health and safety (65% vs. 84% overall) or compliance training (44% vs. 69% overall) as part of their onboarding activities.

8 ASSESSING THE IMPACT OF L&TD

The evaluation of learning and talent development activity is particularly critical in the current economic climate to ensure good return on investment, as many organisations have increased their focus on costs. This section examines how and how often organisations measure the effectiveness of L&TD interventions and the difficulties they encounter in doing so.

Methods used to measure L&TD effectiveness

While the majority of respondents (96%) report they assess the impact of learning and talent development activity in some way, the frequency with which they do so and the methods they use vary considerably (Figure 15). Over three-quarters always or frequently use at least one method to measure effectiveness, while 18% only seldom or occasionally do so.

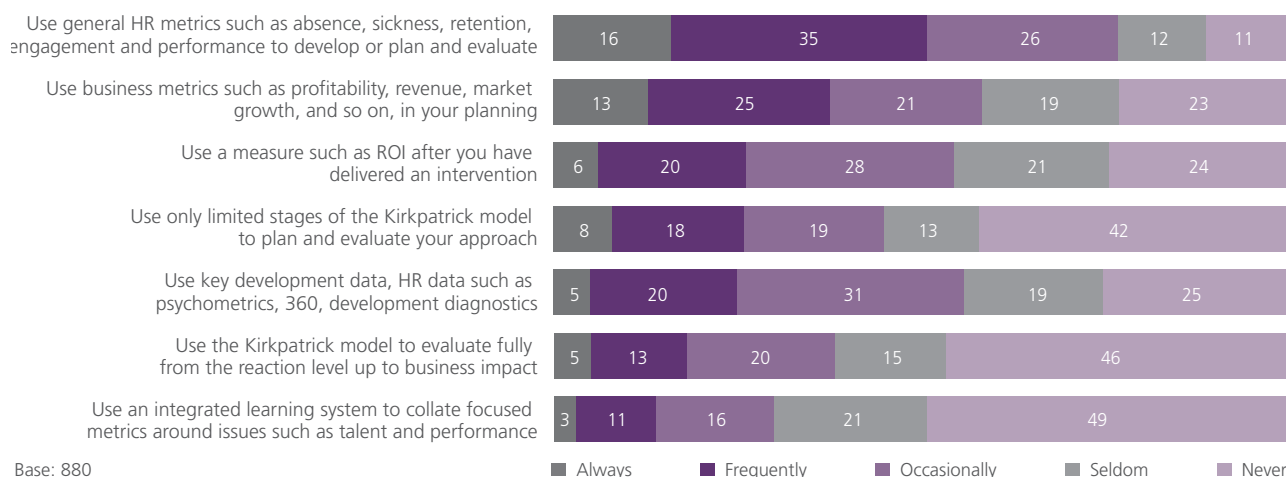
General HR metrics (such as absence, sickness, retention, engagement and performance) are most commonly used, although 12% seldom use these and a further 11% never do so (Figure 15). The

private sector are twice as likely as the public or non-profit to always or frequently use business metrics.³²

A quarter of organisations always or frequently use measures such as return on investment, or key development data (psychometrics, 360-degree feedback, development diagnostics). The latter is particularly common in large organisations with more than 1,000 employees (31% always or frequently use compared with 22% of smaller organisations).³³

More than half of respondents use the Kirkpatrick model, or limited stages of it, at least some of the time, although less than a fifth use the full model always or frequently and its use is less common in smaller organisations (56% of organisations with fewer than 1,000 employees never use the full model compared with 34% of those with more than 1,000 employees).³⁴ A quarter report they only use limited stages of this model frequently or always (21% of those with fewer than 1,000 employees compared with 34% of those with more than 1,000 employees).³⁵

Figure 15: How do you test/measure the effectiveness of L&TD interventions? (%)



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Only a minority of organisations always or frequently use an integrated learning system to collate focused metrics around issues such as talent and performance. Larger organisations are more likely to do this at least some of the time (55% of those with fewer than 1,000 employees never do this compared with 41% of those with more than 1,000 employees).³⁶ Nevertheless, just one in six large organisations report they always or frequently use an integrated learning system.

Seventy-four practitioners expressed in their own words other methods they use to measure the effectiveness of L&TD interventions. For some the process was informal: their 'gut feel' or 'corridor conversations'. Several used post-course evaluations or 'happy sheets' to test immediate reactions and views. Focus groups, interviews, in-house technology and external evaluations were used by a minority.

Follow-up or longer-term evaluations using a range of methods were also referred to. These included: regular conversations or appraisals with line managers; improved performance against objectives or KPIs; evaluations of customer satisfaction or client feedback; repeat 360-degree feedback; employee opinion surveys to measure the effectiveness of leadership development initiatives; skills gaps analyses; and reviews of talent and succession planning.

A minority of respondents reported they used other evaluation models: the ADDIE model; Friedman's Results Accountability Framework; Kellogg's model of evaluation; variations of Brinkerhoff's approach; the CIRO model; Kite Foundation Tools; or in-house training models.

Difficulties in measuring the effectiveness of L&TD activity

Nearly three-quarters of respondents (74%) across all sectors report they have encountered difficulties in testing or measuring the effectiveness of L&TD activity. Very small organisations (fewer than 50 employees) are least likely to report they have had problems, although even among this group 58% report difficulties.³⁷

Table 8 shows the reasons respondents give for their difficulties, most of which are more common in larger organisations. The most frequent reason given, by nearly two-thirds of respondents, is that managers and leaders don't prioritise measuring L&TD effectiveness. Access to data is also a common problem. Nearly three-fifths report it is difficult to access data consistently and a third report both that business information isn't always easy to access from other departments or that they have difficulty accessing timely data from their systems.

More than two-fifths report they don't have the skills or resources to develop metrics and a third that there is no consistent standard they can aim for.

Table 8: Nature of the difficulties encountered (%)

	All	Number of employees				
		Fewer than 50	50–249	250–999	1,000–4,999	More than 5,000
Managers and leaders in our business don't prioritise this	64	45	61	68	67	69
It's difficult to access the data consistently in our organisation	58	43	57	52	66	65
We don't really have the skill or resource internally to develop these metrics	43	46	53	45	37	37
Business information isn't always easy to access from other departments, such as finance and marketing	33	23	27	28	37	44
There is no consistent standard we can aim for	33	34	32	31	30	37
We have difficulty accessing timely data from our available systems	31	22	24	36	34	36
Other	5	12	4	5	5	3

Base: 742

9 ECONOMIC SITUATION AND TRAINING SPEND

For more than four years, since the 2008 global financial crisis, the UK has experienced fragile and bumpy economic growth, compounded by the eurozone crisis and high inflation. The outlook remains uncertain. Many anticipate a slow but rocky recovery, although a triple-dip recession has not been ruled out. In this section we examine the impact of the economy on organisations' economic circumstances and learning and talent development resources and budgets.

Economic circumstances

In findings very similar to last year, only a minority (8%) report that their economic/funding circumstances have improved over the past 12 months (Table 9). As the public sector approaches its fourth year of budget cuts, two-thirds report their funding situation has got worse (2012: 76%), nearly twice as many as in the private sector.

Impact on L&TD resources

Half of public sector organisations have faced decreases in their available L&TD resources (54%), funding (52%) and headcount (47%) over the past 12 months. Last year approximately three-fifths reported decreases in these areas. The situation in the private sector and non-profit sector is more

mixed. Although more than half of organisations report resources, funds and headcounts have stayed the same, organisations in these sectors (particularly non-profits) are more likely to report decreased resources and funding than increases (Figure 16).

As we've found in previous years, L&TD resources are moderately linked to organisations' economic circumstances. Organisations that reported a worsening economic situation over the past 12 months were more likely to report reduced resources, funds and headcount in L&TD.³⁸

Changes in L&TD departments

Over three-quarters of respondents reported their L&TD department had undergone one or more change in the last 12 months. A further 9% didn't know if they had made changes or not. Continuing the trend observed in the last two years, the most common change, reported by over a third of organisations across all sectors, was to become more business-focused (Figure 17). A quarter have made changes to focus L&TD around talent succession and leadership development, while nearly a fifth have expanded L&TD into new areas of the business.

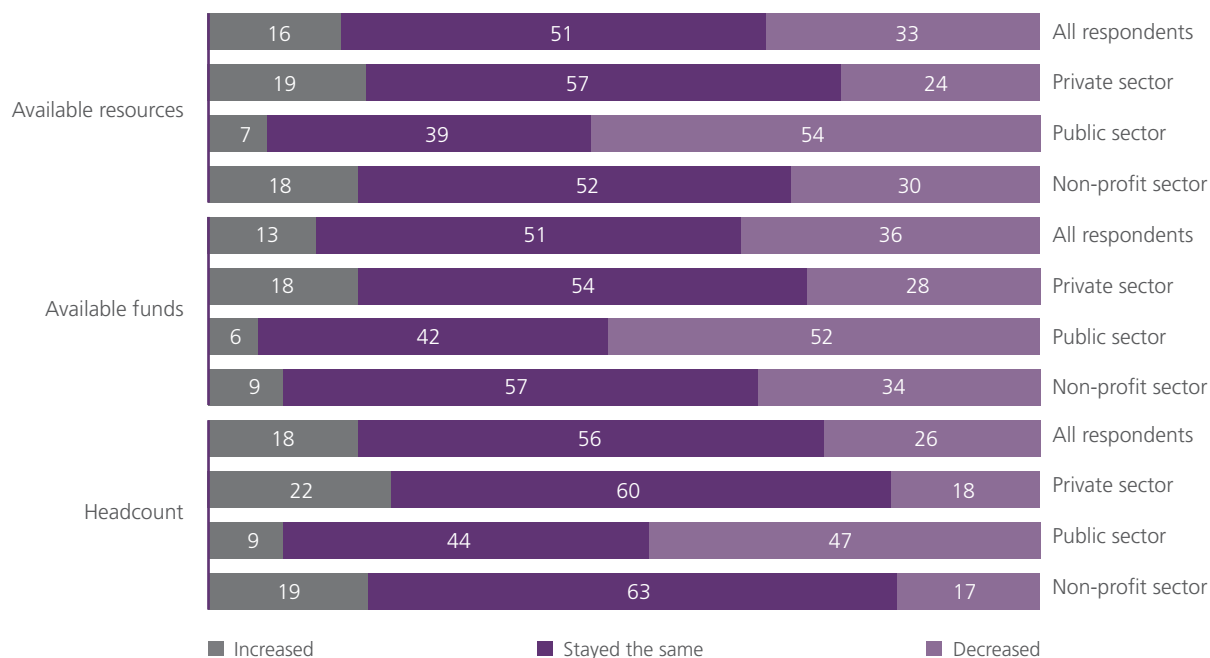
Table 9: How would you describe the economic/funding circumstance facing your organisation in the past 12 months? (%)

	All respondents	Private sector	Public sector	Voluntary, community and not-for-profit
Better than before	8	11	5	7
About the same as before	42	52	25	34
Worse than before	47	35	67	57
Don't know	3	3	3	2

Base: 997

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Figure 16: Changes to available resources, funds and headcount in L&TD departments over the past 12 months (% of respondents)



Other changes, particularly common in the public sector, reflect the ongoing focus on reducing costs in the current economic environment. Redundancies of staff, the rationalisation and 'reduction' of the department and the closure/rationalisation of training facilities were at least twice as common in the public as the private or non-profit sectors and three in ten public sector organisations report a reduction in external suppliers and move to in-house provision (Figure 17). Such cost reduction measures have also been particularly common in larger organisations regardless of sector.³⁹

Training budgets

Most organisations with more than 250 employees have a training budget (80%).⁴⁰ Regardless of size, however, training budgets were somewhat less common in the private sector (Table 10).

Of the 728 organisations that had a training budget, 400 (55%) provided useable and complete data on training budgets. For responses referring to the UK (377 respondents), the median annual training budget per employee was £303 (2012: £276; 2011: £350), but this masked considerable variation within and across sectors.

As last year, the median training budget was lowest in the public sector at £250 per employee. Nevertheless, this is considerably higher than that reported last year, although still lower than that reported in 2011 (2012: £167; 2011: £311). The median training budget had also increased in the private sector compared with last year, but only to a very small extent and it also remains lower than in 2011 (2013: £333; 2012: £308; 2011: £372). In contrast the median training budget in the non-profit sector has continued to decrease over the last few years (2013: £283; 2012: £298; 2011: £349). Care, however, must be taken in interpreting and comparing these figures as the items covered by training budgets vary (see below).

Items covered by the training budget

Part of the reason for the considerable variation in training budgets is that they cover different items. In the majority of organisations, training budgets cover external courses and conferences (93%), hiring external consultants and trainers (83%), and books, training manuals, and so on (72%). They cover training technology (47%) and mentoring and coaching (53%) in approximately half of organisations, while 38% report psychometric

Figure 17: In what ways, if any, has your L&TD department undergone changes in the last 12 months? (% of respondents)

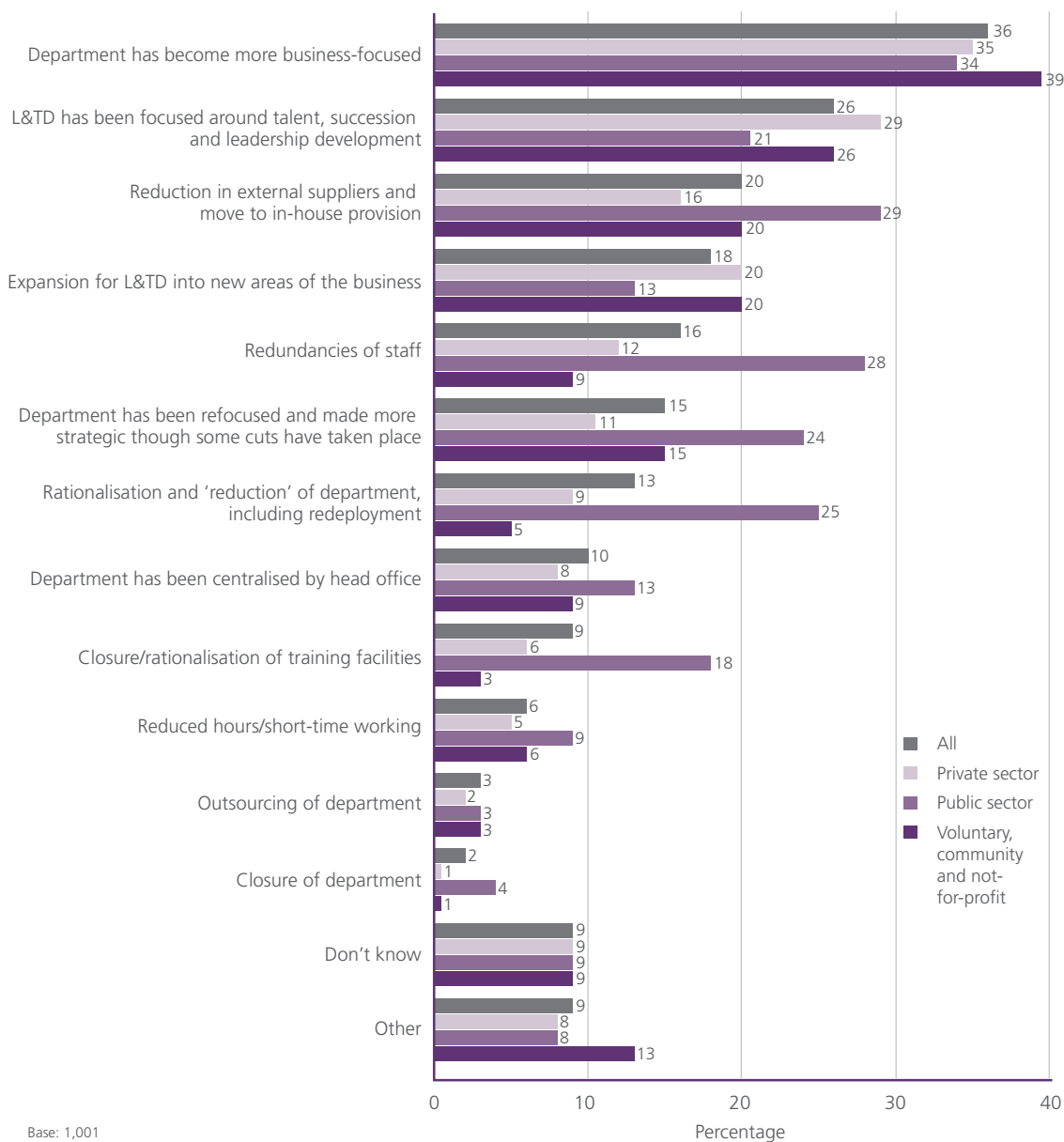


Table 10: Percentage of organisations that have a specific training budget? (%)

Number of employees	All respondents	Private sector	Public sector	Voluntary, community and not-for-profit
Fewer than 50	46	43	50	56
50–249	67	60	78	81
More than 250	80	73	88	88
All	73	64	85	79

Base: 1,000

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assessment and diagnostics are included. In a third of organisations training budgets also cover fixed costs (32%) and integrated e-learning systems/ learning management systems (32%). Just over a quarter include salaries for in-house trainers in their training budgets (28%).

Number of hours of training per employee each year

Nearly two-thirds (64%) of organisations report that they record the number of training/ development hours employees receive in a 12-month period, up from 51% in 2012. Sector and organisational size had no significant impact on the recording of training hours.

The median number of training hours employees receive per year is very similar to last year (2013: 25 hours; 2012: 24 hours). This did not vary significantly across sector, although there is some indication that employees in very small

organisations (fewer than 50 employees: median 35 hours) receive more training hours than those in larger organisations.⁴¹

Future of L&TD funding

Over two-fifths of the public sector and one-fifth of private sector and non-profit organisations anticipate reductions in L&TD funding in the next 12 months (Table 11). Nevertheless this outlook is more positive than that of the past few years (Figure 18), although this may reflect limits to the belt-tightening that has occurred over the last few years rather than greater optimism regarding the economy.

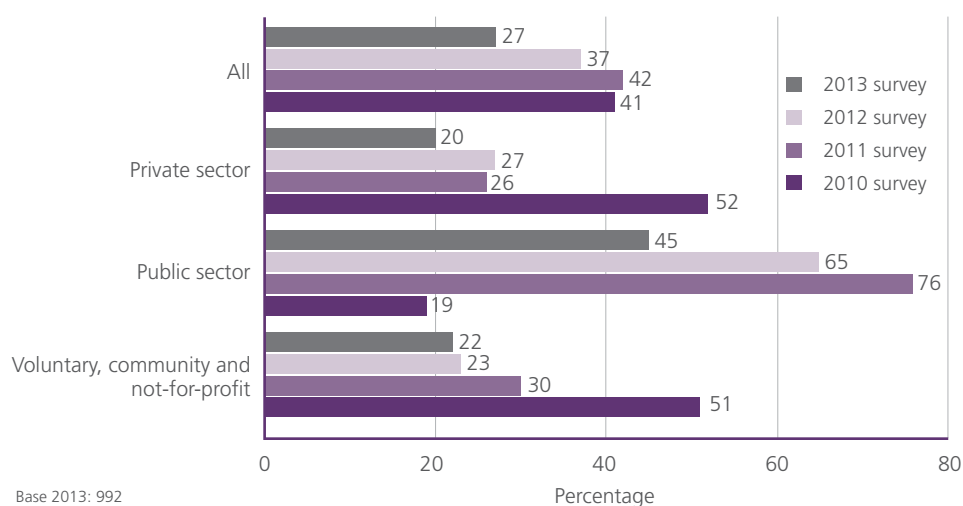
Organisations' predictions for the future were moderately related to their experience of the past 12 months.⁴² Those that have experienced a worsening of economic circumstances and reductions in L&TD funding over the last 12 months were more likely to report they anticipate further decreases over the next 12 months.

Table 11: How do you expect the funding of learning and talent development to change in the next 12 months? (%)

Number of employees	All respondents	Private sector	Public sector	Voluntary, community and not-for-profit
Increase	12	15	4	13
Stay about the same	55	61	43	59
Decrease	27	20	45	22
Don't know	6	4	8	6

Base: 992

Figure 18: Percentage anticipating decreases in learning and talent development in the next 12 months (%)



CONCLUSIONS AND INSIGHTS: THE SHIFT TO INTERACTIVE LIFETIME LEARNING

The record response to the survey in this, our centenary year, gives an indication of the continued critical importance of learning and talent development to the business environment. The nature of our challenge remains. Learning professionals are still operating in a resource-light, challenge-rich environment (as we were in 2012 and since the onset of the global financial crisis). Times are tough but energising. There is a resilience and permanence to learning which is encouraging. Many have called it the smart learning revolution; we prefer to call it the social learning shift because it's about more than just technology. In a constrained environment, learning effectiveness is a key performance contributor. Where skills and talent are constants of the business conversation, L&TD is a pivotal area. However, we need to continuously rethink and refresh how we support learning – to do that we need to develop a set of common behaviours which draw on great practice and illuminating insight. It should also embed the CIPD values of purpose, agility, collaboration and expertise.

This survey shows that we are starting to practise many of these behaviours:

- We are grappling with the transition from instructor-based learning to more social and collaborative forms of learning.
- We are operating much more with an organisational and business focus.
- We are finding our way into the increasingly technology-driven delivery environment.
- We are increasingly focused on the lifetime

learning journey for organisations and individuals, as the apprenticeship data show.

- We are contributing our expert voice and viewpoint into world of work debates on issues such as productivity, flexibility and work organisation.
- We are beginning to reflect on how we evaluate learning and how we link it to wider business impacts.
- We are continuing to understand the importance of talent as an organising focus for learning in all of these contexts.

Just the job: why on-the-job learning is taking off

On-the-job (OTJ) learning is out in front as both the most effective and most used learning practice. We track the data back five years just to the advent of the economic downturn and we see that this method continues to rise. OTJ takes pride of place with coaching by line managers and in-house development methods. The survey also points to the continued integration of coaching and organisational development, signalling a trend towards organisational learning. There is now much more recognition that experiential learning builds capability and competence. Perhaps in the absence of off-the-job 'paid for' learning, we are recognising the value of OTJ. It is also being made more relevant by the trend towards apprenticeship learning. OTJ will become even more embedded with the increase in technology which allows a more compelling blend of theory and practice. However, the blending process still has a long way to go, as the evidence on e-learning indicates.

E-learning is taking time to connect

Most organisations are using e-learning, but a relatively small share of learning and talent development time is allocated to it. The fact that most think it's essential to building the right mix of learning content indicates that this is not resistance but a rational reluctance to over-invest until better information is available. Completion of e-learning courses is progressing, albeit from a low base. The importance of design and development skills in L&TD teams using e-learning is now top of the agenda. As we explained in our report *From E-learning to Gameful Employment*, we need to build, blend and connect to make e-learning effective. One of the main challenges is that the cutting-edge integration of smart technology and existing learning technology has not taken off as many anticipated.

The learning promise of smart technology is yet to take hold

We are used to technology and data evolving at speed. Theoretically, with the right kit this makes it possible to develop a more social, collaborative and iterative learning environment. Adjacent technologies such as webinars, cloud computing and smart devices combined together should unleash a new wave of learning innovation. The 'revolution' is not happening, except in some larger workplaces, and it's more likely to happen where organisations have technology as part of their DNA. There are good reasons for this:

- The idea of bring your own device (BYOD) is slightly overstated. If employees do bring their own devices, they use them generally for their own social networking. For that to change there needs to be a commitment from organisations, perhaps to share some cost as well.
- If this debate is just about technology, few organisations have the platforms to facilitate the true integration of these discrete elements and few have the confidence to play with the technologies and disrupt learning.
- The idea that learning apps would be everywhere and used frequently assumes design skills that are not widespread.

There is general confusion in terms, with a focus too much on technology and not enough on the interaction between technology and the user.

The future is social and collaborative

Organisations 'get' the need for social learning and are interpreting it in encouragingly broad ways. It's not just a technical fix; it's a set of behaviours and attitudes to learning. It means learning is happening around the watercooler as much as the webinar. An interesting perspective on the instruction versus self-learning debate is the fact that half see on-the-job learning as social. Only about a third, generally the largest organisations, see it as being about using specific platforms and tools. Most seem to be improvising with existing resources such as webinars and virtual learning systems. If we could connect that insight with the technology we already have, we could go a long way. Social learning will be increasingly important in engaging talent. We can't do all of this through one department; it will be by multiple collaborations. One such collaboration is with union learning reps and other such envoys.

Representing learning in limited workplaces – union learning

Unions as representative organisations have always been a conduit through which employees with poor skills could tackle their problems and gain access to skills and development. Similarly, they have always sponsored the talented and the curious. From the formation of Ruskin College at Oxford for working-class talent in 1899 to the development of the Workers Educational Association (WEA) in 1903, unions have a proud and dedicated history of supporting learning.

We found, as we expected, high recognition of their role as skills envoys for the lowest skilled and we also found that they were seen as generally helpful to the skills and learning effort. However, their Achilles' heel is that ULRs are far from common in private sector organisations – present in only about 10% on average. The TUC body

which promotes the role of ULRs wants their role to extend into organisational improvement and performance appraisal, as well as some role in organisation development and job design. Private sector respondents are less well disposed towards working with ULRs on anything other than basic skills agendas. But one aspect on which all are agreed is that ULRs have a big role in building support for apprenticeships, which accords with the new direction in skills policy.

Learning to work with apprentices

Youth unemployment in the UK is currently running at 20%, with deeper impacts on those not in education, employment or training (NEET). The economic downturn has closed off opportunity for many young people, yet the workforce still struggles with skills. For many years governments have wrestled with the skills problem and a major part of the solution has been apprenticeship. The Government increased the number of apprenticeship places and has also begun to get a grip on the muddle of initiatives, funding routes and varieties of qualification by endorsing the findings of the Richard Review. Our survey finds that the warmth towards apprenticeship is growing, with over 90% viewing apprenticeship as an investment in the future of young people. Nevertheless, when the Richard recommendations put funding into the hands of employers, it will be the SMEs that take the burden of expansion, and our data shows that awareness of some of the major initiatives aimed at this sector is still fairly low. The CIPD will – through our Learning to Work programme working with partners across business and education – continue to drive awareness.

This raises the issue of how we in L&TD develop a scanning capability across the skills agenda. The issue of how we connect learning at work with what is learned at school and in further and higher education is a growing agenda. Lifetime learning and the promise of big data and technology at scale will drive that even further. The potential of new learning opportunities such as massive open online courses (MOOCs) and the way people will

merge work and leisure learning are real issues to which we have to bring insight and value.

Talent management is an agenda which learning specialists can contribute to and it continues to flourish in organisations.

Talent management

Talent management is also a constant, with larger organisations in particular sticking with it. One problem has been with the effectiveness of such programmes. The favoured interventions to support talent are generally on-the-job training, internal knowledge-sharing and e-learning. However, there is also a big role for coaching and mentoring. Our latest data shows that effectiveness of programmes has increased markedly. The reason for this increase is probably due to a general focus on programme evaluation common to all internal development spending, aided by much better communication of the value of such programmes to the organisation. This brings us back to a recurring issue. How do we know when learning delivers? In our survey we asked a series of questions designed to gauge the impact of learning.

Learning impact: still reacting

The impact of learning programmes on organisational success should be at the centre of our approach in L&TD. In key reports and presentations we have suggested the need to move towards outcome measures and be less obsessed with ROI – especially conducted without a baseline. This survey shows that most practitioners evaluate L&TD interventions and most commonly use the metrics within HR, such as retention, engagement and performance. The private sector is much more likely to use these methods. Still, over half of our respondents continue to use Kirkpatrick's evaluation levels – and mostly only at the reaction level. It seems that we are stuck in a recurring loop of evaluation where we want to move forward but can't. Let's look at some possible reasons.

Learning metrics: silos, skills and suspicion?

The lack of prioritisation in measuring L&TD effectiveness is one of the key reasons given for

lack of measurement. Access to data often 'siloes' in certain departments within incompatible systems is another common challenge. Many report that it is difficult to access data consistently and a significant minority report that business information isn't always easy to access from other departments. Some say they have difficulty in accessing timely data from their systems. Skills are also a big problem.

Silos and skills are obvious issues, but suspicion of losing the richness of interaction of data which has up to now been more narrative and qualitative is another issue. The big data revolution in L&TD will push us towards integrating both quantitative and qualitative data for real impact.

Can big data help us sort the stats and the stories?

We believe that with the advent of big data, the challenge will be for L&TD to access the appropriate flows of data with the opportunity of collaborative comparisons facilitated by social networks. But while the silos will be broken down and the suspicion will hopefully evaporate with the insight dividend we will derive, there is still an issue of skills. The skills anxiety has frankly not been helped by a focus in the big data debate on the need for data scientists. This could replicate the silos by allowing an elite of specialised talent, often with less insight into people issues than they have into data, churning out complex analyses. The need for a set of key analytical skills and an ability to mine data for insight will be a skill which should become core to L&TD. The idea of everyone modelling their own data is not a realistic option, but new skills will be needed. We see this skill being an ability to fuse data analysis, an understanding of statistics and corporate metrics with an ability to weave stories and narrative. The balance between 'stories and stats' is going to be a key competence in the near future. The CIPD is working with key thinkers and providers in the area to make sure we have a set of coherent and accessible skills for learning metrics as an

essential aspect of human capital. Connecting this to lifetime learning will be the key issue.

These issues of an increasing shift towards collaboration and social learning driven by the key trends in learning and talent development are truly transformational. A shift towards more informal but impactful learning and a fuller alignment with the skills and learning agenda inside and outside the workplace is key. The lifelong learning offer supported by technology and vocational learning, as well as shifts in areas such as big data, will be the focus of the future. It will require L&TD specialists to have genuine breadth as well as depth in the skills and diagnostics of learning.

The CIPD celebrates 100 years of building HR capability and awareness. Learning has been a significant part of that throughout. We have no real idea what the world will look like in 2113. What we do know is that, like progress in learning from 1913 and the formation of the CIPD, it will involve shifts in technology and practice which are both subtle and momentous, just like in the last 100 years.

APPENDIX: BACKGROUND TO THE SURVEY

This is the fifteenth annual CIPD *Learning and Talent Development* survey. It examines current and developing practices within learning and talent development. The survey consists of 36 questions completed through an online self-completion questionnaire.

Most questions remain the same as in previous years, to provide useful benchmark data on topics including current and future trends in learning and talent development, leadership development, talent management and the impact of the economy on L&TD resources and training spend. This year we also revisit the topics of apprenticeships and e-learning, which were last explored in 2011. New topic areas to reflect current and developing areas of the field have also been added. This year new questions examine the use and advantages of social learning, the role and benefits of union learning representatives, onboarding activities and how the impact of L&TD activity is assessed.

The survey was sent out to 21,122 CIPD learning and talent development specialists in the UK in January 2013. In total, 1,004 people responded to the survey, a response rate of 4.7%.

Sample profile

Respondents work for organisations of all sizes (Table A1). The size distribution is similar to last year, although it is more representative of smaller organisations than in previous years (2013: 37% with fewer than 250 employees compared with 32% in 2012; 26% in 2011; 18% in 2010).

The sector breakdown is similar to previous years, with slightly better representation of the voluntary, community and not-for-profit sector (referred to in this report as non-profit organisations). The private services sector was most strongly represented (2013: 45%; 2012: 47%; 2011: 48%), while over a quarter (29%) work in the public sector (2012: 28%; 2011: 31%), 13% in manufacturing and production (2012: 14%; 2011: 13%) and 14% in non-profit organisations (2012: 10%; 2011: 9%) (Table A2).

Just under two-fifths of respondents (38%) work for organisations that have offices in more than one country. The majority (94%) specified that they were referring to the UK in their responses to the survey (5% were referring to other parts of Europe and a very small minority to non-European regions). The majority (88%) also have their organisation headquarters in the UK (6% have headquarters in other European countries, 4% in North America and a minority in other parts of the world).

The survey was targeted at people in HR/learning and talent development or in senior roles as the questions required specific knowledge of learning and talent development practices and policy. Nearly four-fifths of respondents (79%) reported they are responsible for or involved in determining the learning and talent development needs of their organisation. Table A3 confirms that the vast majority of respondents work in HR, talent management or learning and development, while one-fifth (20%) are other senior managers (including CEOs and directors) and 6% are line managers.

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Table A1: Profile of respondents, by size of organisation

Number of employees	2013 (%)	2012 (%)
Fewer than 10	6	7
10–49	8	6
50–249	23	19
250–999	22	21
1,000–4,999	19	22
More than 5,000	22	24

Base: 1,000 (2013); 764 (2012)

Table A2: Distribution of responses, by sector

	Number of respondents	%
Manufacturing and production	126	13
Chemicals	1	0
Construction	12	1
Electricity, gas and water	6	1
Engineering, electronics and metals	5	0
Food, drink and tobacco	35	3
General manufacturing	18	2
Mining and quarrying	8	1
Paper and printing	2	0
Textiles	5	0
Other manufacturing/production	4	0
Private services	447	45
Professional services (accountancy, advertising, consultancy, legal, etc.)	119	12
Finance, insurance and real estate	71	7
Hotels, catering and leisure	22	2
IT services	24	2
Call centres	7	1
Media (broadcasting and publishing, etc.)	14	1
Retail and wholesale	42	4
Transport, distribution and storage	31	3
Communications	12	1
Other private services	105	10
Public sector	290	29
Central government	42	4
Education	61	6
Health	53	5
Local government	71	7
Other public services	63	6
Non-profit	140	14
Care services	16	2
Charity services	50	5
Housing association	33	3
Other voluntary	41	4

Base: 1,000 (2013); 764 (2012)

Table A3: Position in organisation

	%
Head of learning and development/talent	15
Senior manager/director/CEO	20
Organisational development manager/adviser	11
HR manager/HR business partner	26
Line manager	6
Other: Talent, training, learning or development	8
Other: HR	9
Other	6

Base: 999

Note on statistics and figures used

Some respondents did not answer all questions, so where percentages are reported in tables or figures, the respondent 'base' for that question is given.

All figures have been rounded to the nearest percentage point. Due to rounding, multiple response options or 'don't know' responses, percentages may not always total 100.

Different statistical tests have been used (depending on the type of analysis and the measures used in the questionnaire) to examine whether differences between groups are significantly different than could be expected by chance and to examine associations between measures. Tests used include Chi-Square (χ^2), Spearman's rho (ρ) and Eta. We report on statistics at the generally accepted level of significance, $p < 0.05$.

The median is used to calculate an 'average' in cases where the distribution is significantly skewed or there are extreme outliers.

¹ $\chi^2 = 14.3$, $df = 3$, $p < 0.01$, $n = 1,001$

² Sector and Use of e-learning: Chi Square = 60.1, $df = 3$, $p < 0.001$, $n = 989$; Size and Use of e-learning: Eta = 0.35 $n = 987$

³ 42% of private services report 76–100% of employees take up e-learning compared with 35% of the public sector, 29% of manufacturing and production and 24% of non-profits. 34% of non-profits report 0–25% take it up compared with 23–29% of the private and public sectors. 41% of private services report 76–100% of employees complete e-learning courses compared with 34% of the public sector, 31% of manufacturing and production and 23% of non-profits. 39% of non-profits report 0–25% complete courses compared with 24–29% of the private and public sectors.

⁴ $\chi^2 = 10.5$, $df = 2$, $p < 0.01$, $n = 976$

⁵ 9% reported they 'don't know' if they have talent management activities or not. They are excluded from the analyses here.

⁶ Eta = 0.30, $n = 906$

⁷ $\chi^2 = 40.1$, $df = 3$, $p < 0.001$, $n = 908$

⁸ $\rho = -0.20$, $p = 0.001$, $n = 455$

⁹ Sector and high-potential employees: $\chi^2 = 13.6$, $df = 4$, $p < 0.01$, $n = 424$; Sector and senior managers: $\chi^2 = 9.9$, $df = 4$, $p < 0.05$, $n = 408$; Sector and graduates: $\chi^2 = 13.4$, $df = 4$, $p < 0.01$, $n = 394$

¹⁰ Developing high-potential employees: Eta = 0.19, $n = 517$; Growing future senior managers/leaders: Eta = 0.15, $n = 517$

¹¹ $\chi^2 = 9.3$, $df = 2$, $p < 0.01$, $n = 519$

¹² $\chi^2 = 12.9$, $df = 2$, $p < 0.01$, $n = 519$

¹³ $\chi^2 = 17.4$, $df = 8$, $p < 0.05$, $n = 502$

¹⁴ Graduate development programmes: manufacturing and production 23%, private services 15%, public sector 12%, non-profits 2%; Cross-functional project assignments: manufacturing and production 31%, private services 19%, public sector 19%, non-profits 4%; Job rotation and shadowing: manufacturing and production 29%, private services 19%, public sector 28%, non-profits 11%; In-house development programmes: manufacturing and production 36%, private services 33%, public sector 42%, non-profits 61%; 360-degree feedback: manufacturing and production 18%, private services 29%, public sector 22%, non-profits 39%; Courses leading to a management/business qualification: manufacturing and production 8%, private services 10%, public sector 6%, non-profits 22%.

¹⁵ $\chi^2 = 68.6$, $df = 2$, $p < 0.001$, $n = 1,000$

¹⁶ $\chi^2 = 9.1$, $df = 2$, $p < 0.001$, $n = 847$

¹⁷ $\chi^2 = 22.8$ with continuity correction, $df = 1$, $p < 0.001$, $n = 845$

¹⁸ $\chi^2 = 18.7$ with continuity correction, $df = 1$, $p < 0.001$, $n = 834$

¹⁹ $\chi^2 = 13.9$, $df = 2$, $p < 0.01$, $n = 836$

²⁰ $\chi^2 = 12.2$, $df = 2$, $p < 0.01$, $n = 836$

²¹ $\chi^2 = 9.7$, $df = 2$, $p < 0.01$, $n = 836$

²² $\eta^2 = 0.30$, $n = 1,000$

²³ $\chi^2 = 54.6$; $df = 3$, $p < 0.001$, $n = 1,002$. These sector differences are not due to differences in organisational size.

²⁴ This is partly because a higher proportion of those without apprentices report they 'don't know' but the differences are still significant when this group are excluded from the analysis. Employs apprentices and 'leads to a more engaged workforce': $\chi^2 = 21.3$; $df = 3$, $p < 0.001$, $n = 930$; employs apprentices and 'helps build a talent pipeline and grows your own workforce': $\chi^2 = 39.1$; $df = 3$, $p < 0.001$, $n = 954$; employs apprentices and 'makes the workforce more productive': $\chi^2 = 26.8$; $df = 3$, $p < 0.001$, $n = 937$; employs apprentices and 'helps us to get the skills we need': $\chi^2 = 30.5$; $df = 3$, $p < 0.001$, $n = 948$; employs apprentices and 'is an investment in the future of our young people': $\chi^2 = 26.9$; $df = 3$, $p < 0.001$, $n = 961$.

²⁵ Of organisations with apprentices, those in manufacturing and production were more than twice as likely to strongly agree that employing apprentices helps them to get the skills they need compared with organisations from other sectors (manufacturing and production with apprentices: 44% strongly agreed compared with 16–19% of those with apprentices from other sectors): $\chi^2 = 35.2$; $df = 9$, $p < 0.001$, $n = 486$

²⁶ Employment of apprentices and awareness of £1,500 single-stage subsidy to help SMEs employ apprentices: χ^2 with continuity correction = 6.8; $df = 1$, $p < 0.01$, $n = 306$; Employment of apprentices and awareness of better guidance on apprenticeships aimed specifically at SMEs: χ^2 with continuity correction = 5.4; $df = 1$, $p < 0.05$, $n = 306$; Employment of apprentices and awareness of the establishment of group training associations (GTAs) and apprenticeship training associations (ATAs) to make it easier for SMEs to employ apprentices: χ^2 with continuity correction = 4.1; $df = 1$, $p < 0.05$, $n = 306$; Employment of apprentices and awareness of a dedicated fast-response SME enquiry centre within the National Apprenticeship Service (NAS): χ^2 with continuity correction = 4.3; $df = 1$, $p < 0.05$, $n = 306$

²⁷ $\chi^2 = 204.4$; $df = 6$, $p < 0.001$, $n = 1,002$

²⁸ $\eta^2 = 0.35$, $n = 863$

²⁹ Sector and Continuing to help improve adult literacy, numeracy and basic ICT: $\chi^2 = 43.9$; $df = 9$, $p < 0.001$, $n = 901$; Sector and Working directly with learning, talent and development/HR teams to promote learning across the organisation: $\chi^2 = 42.5$; $df = 9$, $p < 0.001$, $n = 899$; Sector and Contributing to developing and improving the quality of apprenticeships: $\chi^2 = 23.4$; $df = 9$, $p < 0.01$, $n = 901$; Sector and Helping to set up apprenticeship schemes: $\chi^2 = 24.6$; $df = 9$, $p < 0.01$, $n = 905$; Sector and Contributing to the wider agenda where the context and their skill sets merit this: $\chi^2 = 37.5$; $df = 9$, $p < 0.001$, $n = 905$; Sector and Contributing to improving and supporting staff development and appraisal schemes: $\chi^2 = 52.1$; $df = 9$, $p < 0.001$, $n = 908$

³⁰ $\chi^2 = 23.6$, $df = 4$, $p < 0.001$, $n = 991$

³¹ Office tours: private sector 86%, public sector 77%, non-profits 91%; Team lunches: manufacturing and production 24%, private services 35%, public sector 12%, non-profits 26%; Pre-onboarding activities: private sector 41%, public sector 34%, non-profits 30%; health and safety training: manufacturing and production 91%, private services 80%, public sector 88%, non-profits 84%.

³² Private sector 49%; public sector 23%; non-profits 24%; $\chi^2 = 85.9$, $df = 6$, $p < 0.001$, $n = 976$

³³ $\chi^2 = 33.0$, $df = 3$, $p < 0.001$, $n = 979$

³⁴ $\chi^2 = 48.3$, $df = 3$, $p < 0.001$, $n = 974$

³⁵ $\chi^2 = 38.1$, $df = 3$, $p < 0.001$, $n = 967$

³⁶ $\chi^2 = 20.5$, $df = 3$, $p < 0.001$, $n = 971$

³⁷ $\chi^2 = 27.5$, $df = 6$, $p < 0.001$, $n = 957$

³⁸ Economic situation and changes in available resources for learning and talent development $\rho = 0.48$, $p < 0.001$, $n = 928$; economic situation and changes in funds for learning and talent development $\rho = 0.59$, $p < 0.001$, $n = 919$; economic situation and changes in headcount in the LTD department $\rho = 0.37$, $p < 0.001$, $n = 938$

³⁹ Size and redundancies of staff: $\text{Eta} = 0.24$, $n = 997$; Size and the rationalisation and 'reduction' of the department: $\text{Eta} = 0.29$, $n = 997$; Size and the closure/rationalisation of training facilities: $\text{Eta} = 0.24$, $n = 997$; Size and a reduction in external suppliers and move to in-house provision: $\text{Eta} = 0.20$, $n = 997$

⁴⁰ χ^2 with continuity correction = 51.4, $df = 1$, $p < 0.001$, $n = 1,000$

⁴¹ Mann Whitney U = 8.8, $p < 0.01$, $n = 468$

⁴² Economic situation in past 12 months and changes in funding for next 12 months $\rho = 0.42$, $p < 0.001$, $n = 951$; changes in funding for learning and talent development over past 12 months and changes in funding for next 12 months = 0.52, $p < 0.001$, $n = 986$

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