



Employer Case Studies 2004

Attitudes to Learning

SUMMARY REPORT

Customer Research Strategy – Report 3



EMPLOYER CASE STUDIES

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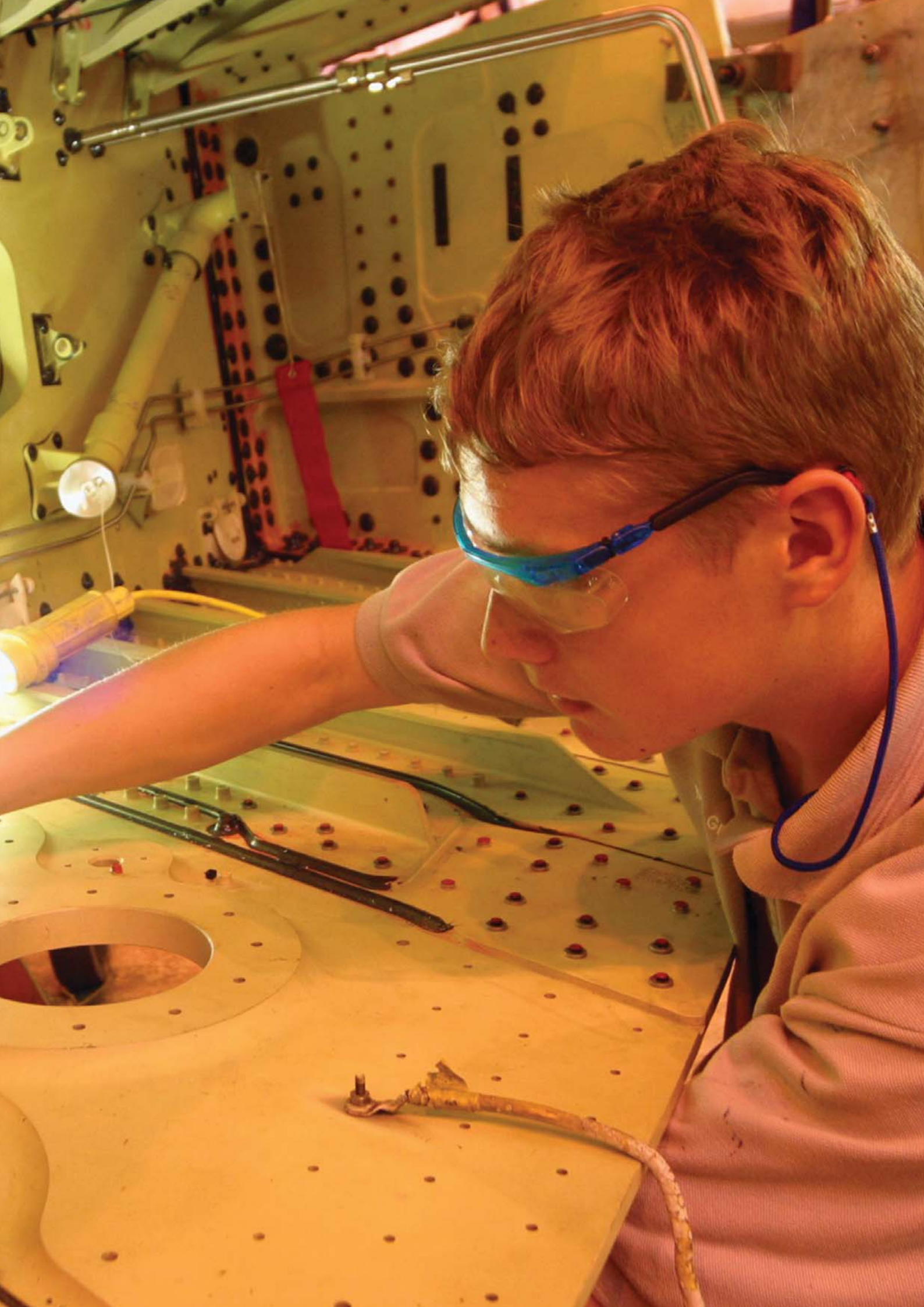
ELWa is an Assembly Sponsored Body established in April 2001 under the Learning and Skills Act 2000. ELWa is responsible for planning, funding, promoting and widening access to post-16 education training in Wales.



NOP World
United Business Media

NOP Research Group is the UK arm of NOP World, the ninth largest research agency in the world.

In the UK, NOP employs around 600 staff and it is split into specialist divisions. The team working on the Employer Case Studies is in the division that specialises in Social Research and there are 20 researchers dedicated to this field. The team has relevant experience of both large-scale social research surveys and of carrying out customer satisfaction research.



CHAIRMAN'S FOREWORD by Sheila Drury



To date, ELWa's Customer Research Strategy has focused on understanding the views and satisfaction levels of individuals who are already in learning funded by

ELWa. The findings are contributing to an improved understanding of learner needs and experiences, which will enable ELWa with its partners to improve the range and quality of learning provision continually. In this element of the strategy, we are developing further this evidence-based policy by exploring the relevance of training in business and the relationship between learning and business development. We are currently working to improve our services to businesses and I see this report as an important element in identifying how improvements can be made.

This report is based on 28 case studies with employers of different sizes and diverse sectors across Wales. In-depth interviews were undertaken with various managers within each organisation in order to identify factors that motivate businesses to invest in learning. Each case study explores the decision-making process that businesses undergo when considering whether to fund or arrange training for staff. By understanding this process, we can ensure that obstacles to training are removed and that delivery and content of training truly meet the needs of businesses. By doing so, ELWa is ensuring that employees and employers have the skills they need to succeed, which will underpin Wales' economic development, helping to secure stable levels of growth and employment.

Five distinct typologies have emerged from analysis of the case studies, and these range from best practice employers – those that were engaged in learning and appreciated the value of learning for management, the workforce and for business success – to those employers that were relatively inactive in terms of training and unambitious in relation to business development. The typologies are an important basis for providing possible actions in response to the factors that limit training activities within businesses. However, such factors need to be subject to further investigation if they are to be used effectively in programme development to raise awareness and participation in training by businesses. To demonstrate our commitment to the business agenda, we will be exploring further the themes that these case studies have raised through a regular panel of 2,000 employers across Wales. This will enable us to track changes in attitudes and obtain feedback on different ways of broadening and deepening employers' participation in training.

I would like to take this opportunity to thank the employers, managers and employees who took valuable time out of their working day to contribute their helpful and constructive opinions so that we might improve future learning opportunities for businesses across Wales.

Sheila Drury – Chairman
January 2005

INTRODUCTION AND BACKGROUND

ONE OF ELWA'S KEY PRIORITIES IS TO ENSURE THAT THE TRAINING OPPORTUNITIES PROVIDED SUPPORT THE NEEDS OF EMPLOYERS AND THEIR WORKFORCES.

Introduction and Background

- 01** ELWa's customers include all current learners and potential future learners – this includes all individuals, businesses and communities across Wales. This Employer Case Studies Report forms part of ELWa's Customer Research Strategy, which is part of the overall drive within ELWa to:
- Encourage evidence-based policy and demand-led planning
 - Bring the “customer” centre stage
- 02** One of ELWa's key priorities is to ensure that the training opportunities provided support the needs of employers and their workforces. In this way ELWa can have a positive impact upon businesses in Wales and the economy as a whole. As a key element of the Customer Research Strategy, ELWa commissioned this series of case studies with employers to understand the relevance of learning and training in business and the relationship between learning and business development.

The information covered by each case study included:

- Profile of the organisation and its business aims
- Types of learning activity undertaken
- Types of staff participating in training
- The decision making process
- Perceived benefits of, and barriers to, training
- Views on quality of training provision available

Methodology

- 03** This research took the form of 28 mini case studies involving face-to-face interviews with owner/managers in the smaller organisations. In larger organisations, with more than 10 employees, interviews took place with a) senior managers responsible for training policy and strategic business decisions and b) line managers employed in a range of functions including finance, marketing, operations or engineering. Wherever possible, self-completion questionnaires were distributed to employees within the same organisations.
- 04** Interlocking quotas were set on company size and sector to ensure a representative sample and the sample was distributed across the four ELWa regions for a broad regional spread.
- 05** In addition, we distributed self-completion questionnaires for employees to complete amongst all 12 medium and large organisations that participated in the research. A total of 299 questionnaires were returned across these organisations. Although the response was lower than anticipated, it was a large enough response to allow analysis of the results.



Business Profile

06 A clear correlation emerged between an intention to grow the business and a positive and proactive attitude to training. Whilst there were some companies with a moderate level of ambition who were fairly passive in terms of training, all the companies with high ambition were very active learning organisations, whilst none of those with low ambition were engaging in any non-essential training.

Typologies

07 There were five distinct typologies that emerged from the analysis of the case studies:

- **Typology 1 (Doing the minimum amount of training to get by)**
Micro/Small (1-4 and 5-9 employees), Low/medium ambition, passive attitude to training; these organisations are happy to keep plodding along as they are; they only arrange training when it's essential.
- **Typology 2 (Committed to idea of training but unsystematic approach)**
Micro/Small (1-4 and 5-9 employees), Medium ambition, moderately active attitude to training; participating in a range of training, both mandatory and voluntary, but it's more likely to be ad-hoc than pre-planned.
- **Typology 3 (Flexible approach to training; key to developing the business)**
Small (5-9 employees), High ambition, active attitude to training; training is seen as pivotal to the company's growth.

- **Typology 4 (Structured approach to training; key to maintaining service delivery)**
Medium/Large (10-99 and 100+ employees), Medium ambition, moderately active attitude to training; carrying out a range of training but it's not seen as pivotal to the organisation's development.
- **Typology 5 (Structured approach to training; an integral element of business growth)**
Medium/Large (10-99 and 100+ employees), High ambition, active attitude to training; highly ambitious organisations that see training as key to growing the business.

Training Activity

08 Most of the organisations interviewed were involved in some form of training. Levels of activity were lowest among those who had little ambition for their businesses and had experienced very little staff turnover, i.e. Typology 1. For organisations in this group, the main focus was on induction courses and on training required to comply with regulations. They seemed to have had little time or money left for developing staff or management skills. Any training they did which exceeded the minimum tended to be sporadic and infrequent. Training tended to take place on the job, although some relied on staff gaining lower level NVQs in order to gain the minimum standard of job specific expertise required.

DECISION MAKING

WHEN TRAINING NEEDS WERE IDENTIFIED, THE BEST ORGANISATIONS WOULD ACTIVELY SEEK OUT A RELEVANT COURSE AND WHERE ONE DID NOT EXIST THEY WOULD SEEK A TAILORED OPTION.

- 09** For organisations in Typology 2, equipment manufacturers were often an important source of training for the smaller companies, as were franchise head offices. It was noticeable that franchise businesses are able to take a more 'professional' approach to training with the assistance of the franchisor. In particular this can have a beneficial effect on the amount of management training taking place. Independent small businesses in contrast clearly lack this input and many said they would value it highly.
- 10** Organisations in Typology 4 had a proactive and positive approach to training but were often constrained by issues such as budget and staff cover. This heavily influenced the types of training offered, as organisations tended to only provide essential training rather than a comprehensive training programme. In addition, there was more of an emphasis on staff to pay for training themselves or attend courses in their own time.
- 11** The more active learning organisations, those in Typology 3 and Typology 5 take a strategic approach to planning their learning and part of their strategy is to aim for a multi-skilled workforce. They seek to continually develop skills including not just the most directly job specific skills but also soft skills and management skills. Formal training opportunities are made available to the majority of the workforce.
- 12** In terms of the employee perspective, the main types of training that had been undertaken within the last 12 months were health and safety training, IT skills, communication, induction training and team working. Only a handful of respondents had completed numeracy or literacy training, possibly because many employers required a certain standard of education when recruiting and assume staff already had basic skills. Two thirds (65%) of respondents had undertaken job-specific learning or training whilst working for their current employer. The most frequently mentioned courses included health and safety, IT training and management skills. The majority of training courses, with the exception of problem solving, were more likely to be delivered via formal training session rather than on-the-job.
- ### Decision Making
- 13** The most active organisations, as mentioned above, were planning their training needs around the needs of the business. They had a systematic and proactive process for identifying employees' training needs. Typology 3 and Typology 5 fit this description.
- 14** The less active organisations, (Typologies 1-2) on the other hand tended to rely on observation to identify training needs. At best this involved regular on-the-job monitoring, at worst it involved waiting for mistakes to happen. This resulted in a relatively reactive and ad hoc approach to training. To some extent this may reflect



the nature of the business, given that certain organisations felt that they had low level skills requirements. However, it was also the case that some managers appeared to be fairly complacent not least about their own skills as business managers. It would appear that often management training fell to the bottom of the heap in terms of training priorities in the smaller businesses i.e. in those very businesses where managers, particularly owner managers, had to single-handedly tackle most aspects of the management process.

- 15** When training needs were identified, the best organisations would actively seek out a relevant course and where one did not exist they would seek a tailored option. They would also tailor methods to suit the disposition of employees, for example those who were reluctant to embark on training because they lacked confidence. The less active employers, however, were much more likely to opt for the first relevant course they found and, where employees were diffident about embarking on training, to simply accept this as a reason for not training them. These employers need support in their decision-making and a number of organisations had in the past received such support from ELW_a. This had clearly been valued and had been influential but there was a perception that ELW_a had dropped its commitment to their business and had, to some extent, left them in a vacuum.

- 16** The responses from the self-completion questionnaire suggested that most employees found their training useful. 'Soft skills' such as management training and problem solving tended to be valued more highly than generic training such as health and safety or induction training. Generally, employees were satisfied with their learning or training experience at their current employer (79% extremely, very or fairly satisfied) but only 4 out of 10 were extremely or very satisfied. Levels of satisfaction were significantly higher for employees who had been working for their employer for less than a year.

- 17** A quarter of respondents did not agree that they had enough training to do their job whilst almost 4 out of 10 (38%) did not agree that their line manager understood how they liked to learn. Respondents were asked what would encourage them to undertake more learning or training. The key motivators were:

- gaining qualifications;
- relevant training;
- being provided with time off work for training;
- if their employer funded the training.

Benefits and Barriers

- 18** The more active learning organisations, those in Typology 3 and Typology 5, are notable in that they placed greater emphasis on training as a means of keeping ahead of the game rather than just keeping up (a mindset which characterises Typologies 4 and 2).

BENEFITS AND BARRIERS

SMALLER EMPLOYERS ACKNOWLEDGED THAT THEY DID NOT KNOW WHAT WAS AVAILABLE AND MANY WAITED FOR PROVIDERS TO CONTACT THEM.

The smaller, less active organisations in Typology 1 did the minimum. The benefits they derived aligned with what they were seeking to achieve:

- The benefits for Typology 3 and Typology 5 are far reaching. Training is an essential tool for growing the business. It helps maintain business momentum and morale and equips the business to compete alongside the best.

- For other businesses, training was viewed as a practical tool for meeting short term goals and keeping the business on an even keel.

19 Amongst the barriers to training, providing cover for staff was one of the most significant and was a particular problem for smaller organisations. Cost was secondary in that most employers felt that if they found a good, relevant course they would be prepared to make the funds available. Some employers felt that there was a case for government subsidy of courses that were necessary in order to comply with regulations.

20 Another barrier, which was not always voiced by managers themselves but became clear during the course of interviews, was that in smaller organisations management did not have the time to conduct a thorough trawl of what training was available and to select the options that would best suit them.

Views on Training Provision

21 Larger organisations were generally happy with the range and quality of

provision available. This reflects the time and effort they had available to devote to researching provision. The main issue they raised, however, was that it would be desirable to have more courses available locally. Sending employees on courses that were only available at a national (UK or Wales) level exacerbates staff cover problems and also costs more.

22 Smaller employers acknowledged that they did not know what was available and many waited for providers to contact them. This lack of active research left them somewhat exposed to bad experiences, although those who had used providers were generally satisfied with the training they received.

23 Most of the job specific training undertaken was well thought of but there was an undercurrent of feeling that Information Technology (IT) skills courses and management skills courses carried more risk of being inappropriate or poor quality.

Conclusions

24 ELWa's aim is to get more employers to:

- Become involved in learning
- Offer learning more widely across the workforce
- Appreciate the potential value of learning both for themselves (as managers) and for their businesses
- Enjoy successful learning experiences

25 From these case studies, two types of organisation emerged which were effectively best practice learning organisations. These are Typologies 3 and 5 and they met all four criteria listed above. Of the remaining types,



Typology 1 was relatively inactive in terms of training and unambitious in relation to business development, whilst Typologies 2 and 4 were more active but did not take as expansive and inclusive an approach to training as their counterparts in Typologies 3 and 5.

- 26** In order to achieve its goals therefore, ELW_a faces the task of moving all employers to the levels that the best practice organisations have reached. This will entail different approaches depending on the organisation's starting point.
- 27** In smaller, less active organisations in Typology 1, making them aware of free training provision in their specific line of business would be beneficial, particularly if funding was limiting the amount of training they provide. In many instances, the businesses were not aware of the training provision available and learning was not high on their list of priorities. Learning opportunities therefore need to be actively promoted to raise the awareness and benefits of learning amongst these businesses.
- 28** As many companies in Typologies 1 and 2 rely on free training offered by equipment manufacturers, it is worth looking into working together with these companies to ensure the training is wide-ranging and employees have the opportunity to work towards qualifications.
- 29** For Typology 2 and 4 organisations the limiting factors were less varied and complex, mainly taking the form of cost considerations and difficulty getting

cover for certain staff. This was limiting the range of training activity carried out and the extent to which learning was available across the workforce. Arguably, these businesses are at a key point in their development as they are committed to the idea of learning. However, they need active support and in particular, support with funding if they are to move on to the next level as the comments from organisations below illustrate.

“It would be wonderful if we could send the girls and ourselves on other sorts of courses but at the moment it has to be what's mandatory.”

Owner, Services, Micro (1-4 employees), Typology 2

“The business and training plan are very fluid and a bit of a wish list of where we'd like to get to. The reality is that the day-to-day survival takes over.”

Director, Manufacturing, Medium (10-99 employees), Typology 4

“Most of the staff actually just value the fact that they do have the time to go (on courses). The biggest problem is that we don't have the budget.”

Line Manager, Public Sector, Large (100+ employees), Typology 4

- 30** As these organisations have a positive attitude towards learning, the evidence suggests that if they received support to help them overcome their training-related constraints, they would be happy to offer a wider range of training opportunities. For example, one private sector company in Typology 4 has begun working with local providers and other organisations such as ELW_a and the WDA. The support and

CONCLUSIONS

IN 'BEST PRACTICE' ORGANISATIONS, ELW_a NEEDS TO WORK IN PARTNERSHIP WITH ORGANISATIONS TO MAKE THEM AWARE OF RELEVANT, GOOD QUALITY AND CUSTOMISED PROVISION.

guidance that has been provided, has helped the company identify a range of training needs across the whole company and encouraged them to develop a new business plan and a less flat management structure.

- 31** This example demonstrates how companies can enhance the training they offer so that it becomes more strategic and an integral part of business development. In this way, companies can move from Typologies 2 or 4 where training is typically offered on a needs-only basis to Typologies 3 or 5, where it is seen as key to developing the business.
- 32** In 'best practice' organisations in Typologies 3 and 5, ELW_a needs to work in partnership with organisations to make them aware of relevant, good quality and customised provision. In order to increase the number of companies offering management training, more emphasis needs to be placed on the skills that will be acquired that will save time and cut costs in the long run. Encouraging networking would be useful to understand how other businesses have dealt with similar issues.

This report is an element of ELW_a's Customer Research Strategy. Other reports from the Strategy include:

- **National Learner Satisfaction Survey for Wales** – a comprehensive survey of post 16 learners' satisfaction with their learning experiences, covering individuals in Further Education, Work Based Learning programmes and accredited Adult Continuing Education.
- **School Sixth Form Survey** – an examination of school sixth formers' views and satisfaction with their learning experience
- **Individuals Panel** – an investigation of attitudes to learning. The results will be used to produce a segmentation of individuals across Wales in relation to their attitudes and actions regarding learning.
- **Work Based Learners Leavers Survey (Pilot)** – an exploration of the views of Work Based Learners who have left or completed a WBL programme in the last 3-6 months.