The importance of employee training.

Employee development and training tends to be viewed by many as an added benefit. However, research shows that taking the time to properly train employees yields far greater results both productively and financially.

In fact, just a two percent increase in productivity has “been shown to net a 100 percent return on investment in training.” ¹ Ultimately, employee training should no longer be regarded as an option, but rather as a necessity and an investment opportunity.

The ROI of employee training.

In our digital world, eLearning courses have become the preferred method of continuing education opportunities by employees.

According to a study conducted by IBM, a company gains $30 worth of productivity for every $1 spent on online learning. The Research Institute of America also found that eLearning can increase retention rates by 60%. ²

It’s clear that investing in employees is a wise business choice that not only yields a significant return on investment, but also saves your company from having to hire more experienced employees or adding additional employees who can cover certain skill sets.

In general, looking at the resources on your existing team should always be the first step when addressing needed skill sets. Consider who may be able to develop a needed skill in a short amount of time rather than looking externally for another resource. Investing internally is a powerful way to build a strong, committed team and to uncover the skills you need.
Employee training and the skills gap.

According to PwC’s 17th Annual Global CEO survey, 63% of CEOs said availability of skills is a serious problem. ³

With the growing skills gap as a prevalent concern for employers and job seekers alike, not enough HR teams are looking internally for ways to address this challenge. One of the best ways to account for the skills gap on teams—and prepare new hires for optimal performance—is to embed successful training processes and resources internally.

The U.S. Department of Labor suggests that employer reluctance to invest in training is one of the key factors inhibiting a decrease in the skills gap. “Many employers would prefer that job seekers and employees provide all their own training, but this is increasingly unrealistic.” ⁴

A recent report from the Society for Human Resource Management (SHRM) confirms this problem: “Although training is seen as valuable, nearly one-third of employers are operating without a training budget.” ⁵

Employers must begin to approach training as an expectation for their HR teams to provide—not a challenge that they assume employees will take care of on their own.

According to a Career Builder survey, to help employees gain the skills they need, 68% of the 23,000 employers surveyed said their company offers training programs to employees, and the majority of these employers say these training programs offer classes for soft skills (71%) or hard skills (72%). ⁶

Retain your best employees through training.

According to a Staffing Industry survey of 1,800 executives surveyed, “90 percent believed employee retention was an issue within their organization and 15 percent of these executives believe not seeing a path for advancement is the main reason a new hire would leave.” ⁷

Minimizing employee turnover and focusing on retention are crucial to improving the bottom line. In 2016, Rapt Media surveyed 400 full-time employees from large American corporations and found that 74% “have forgotten some or all of [their] last mandatory training” and 82% “learn better from visual training” when contrasted with “static materials.” ⁸

That is why it’s critical to reinvest in all employees and work to keep your best employees consistently engaged. Doing so ensures greater profit, stronger company culture and more satisfied employees.

Gallup’s “State of the American Workplace” report, which surveyed more than 195,600 U.S. employees from 2015 to 2016, showed only 4 in 10 employees “strongly agree” when asked if they have had learning and growing opportunities within their organization in the last year. ⁹

To understand the type of training employees need to grow, establish a routine check-in with your top performers to ensure that they have a voice in their own professional development needs. At every check-in, seek to understand how they have grown from training, and understand what their training and development priorities are for the future.
Establish a learning dynamic.

Developing a strong training program is critical to your company’s growth, but implementing one successfully can be a challenge. The first step is to establish an environment that promotes personal growth and learning. To create a learning culture in your business, begin by underscoring the value and expectation of consistent growth, seek out training supplements and resources and consider implementing a training program for your employees. Here are a few practices that successful companies use to develop and implement a strong training program:

1. **Keep future leadership development in mind.**
   A successful training and development program should address existing and future needs as they relate to leadership. Being proactive rather than reactive when it comes to training can make a huge difference.

2. **Always offer a complete introduction to your company culture.**
   It’s critical to consider the role that training plays not only in the recruiting process, but also in the HR onboarding process for all new hires. In a survey conducted by AON, participants stated that the opportunity for personal and professional growth was the main reason they took, and stayed in, the job. Use this talking point to assure recruits that your company is a place of personal growth and development.

3. **Ask yourself what success looks like.**
   Pay attention to the results that an ideal training program can offer; don’t make decisions based on other budget needs or limitations. Many companies cut their training resources as soon as budgets become tighter, but seeking a balance of consistent, year-round training program that fits within a budget is the best way to approach training.

4. **Identify your top performers.**
   Prioritize the training that your strongest employees seek. Build out programs around their needs to validate their historically strong contributions. Incentivizing these top performers with an investment in them generates organizational loyalty and provides a method of promoting from within.

5. **Benchmark similar companies.**
   Look to other companies who faced similar problems or growth goals and consider using a training program or solution that worked well for them. The Cheesecake Factory, for example, spends “an average of $2,000 on training per hourly worker each year, and has an employee retention rate of about 15 percent better than the national average.”

Training is essential to maximize even a temporary hire.

Today’s most effective and efficient companies require dynamic workforces, and many companies rely on temporary workers, especially during specific times of the year. Training is a huge factor in ensuring that a temporary hire is truly an investment rather than an expense. Establishing sound training—or utilizing an external party to supplement onboarding for a temp hire—is crucial when dealing with temporary fulfillment needs.

Seek out a recruiting firm that is able to provide sound training and resources, as this cuts down on the need to invest in internal training programs but still offers reasonable training resources for temporary (and full-time) employees.
Training strategies.

Integrate formal and informal training mechanisms.
With countless forms of content in today’s tech-centered world, it’s important to diversify the delivery mechanisms for training. LinkedIn’s Workplace Learning Report noted that 7 out of 10 organizations are starting to incorporate video-based online training into their learning cultures, which is projected to have a steady growth rate of 11% by 2020. Consider integrating learning or mentoring methods into everyday work; training doesn’t always have to happen in a closed setting.

Consider new skill development tools.
Training materials today come in a variety of forms, and some companies find it useful to incorporate “gamification” or highly immersive, first-hand techniques for their employee training. Providing flexible and virtual options are also preferred by employees so they are able to learn at their own pace and in their own environment.

Balance your targeted training approaches.
One challenge that many employers face when implementing a training program is integrating training resources that are right for each individual employee. More employers are turning to the integration of an external program that incorporates numerous options for training.

For more on the latest and greatest in training techniques, contact your local Adecco representative or visit adeccousa.com.
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