
Delivering an Answer for Skill Gaps?

Research shows some disconnects between the types of training delivery respondents felt were most effective to bridge skill gaps and the types of training delivery most utilized. **BY STACEY HARRIS**

Technology has not necessarily proven to be a panacea for the skilled labor gap, either in terms of supporting competency models or delivering training to bridge the divide, according to a survey of 850-plus organizations conducted by Brandon Hall Group in partnership with SME (formerly known as Society of Manufacturing Engineers) and *Training* magazine. Skilled labor is defined as employees identified as having a specific set of technical or practical skills that are obtained through a mixture of technical or practical education and hands-on practice.

In this continuation of our series on addressing the skilled labor gap, we take a deeper look at the tools and techniques organizations are leveraging for development and training, and who designs and delivers the programs that are used.

COMPETENCY CONNECTION

Development and training would seem like an easy approach to addressing skill gap concerns, but as we found in our last article, 78 percent of the organizations we surveyed struggled to offer consistent development opportunities to their skilled labor workforce.

Leveraging competencies in both hiring and development training was a key theme across organizations with elevated performance metrics such as employee engagement, retention, and revenue. Some 61.5 percent of organizations built

their training programs based on specified competencies that were defined in skilled labor job roles.

However, many HR and learning professionals voiced frustrations with their learning or performance technologies' lack of capabilities in supporting a mixture of out-of-the box and customized competency models. They are looking for learning technology and learning content that leverages out-of-the box competency models supported by industry associations and standards groups, as well as the ability to tailor the information to their own unique competencies.

Another major challenge for most business leaders was the inability to take the best of their skilled workforce out of the field for more development due to production, client, or patient needs. We also heard a great deal of frustration with the fact that once employees did take some level of training, it was difficult to see how they were applying it on the job. Many of the HR and business leaders felt their employees retained less than a quarter of the content that was covered in their training sessions when they went back to the job site.

While you might think technology would be able to help with these challenges, almost 20 percent of our surveyed group used in-person instructor-led training for more than 75 percent of their training programs, and more than 40 percent used it for 50 percent or more of their training. No other training delivery approach came close to this level of use. Only 26 percent of all organizations felt in-person instructor-led training was highly effective, compared to more than 30 percent who felt coaching and mentoring and on-the-job training were highly effective.

The research showed some disconnects between the types of training delivery respondents felt were most effective and the types of training delivery most utilized. We saw this conflict across the entire data set, but even more widely across individual industries. For instance, coaching and mentoring rated as the highest level of effectiveness across manufacturing, health-care,

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DELIVERING AN ANSWER

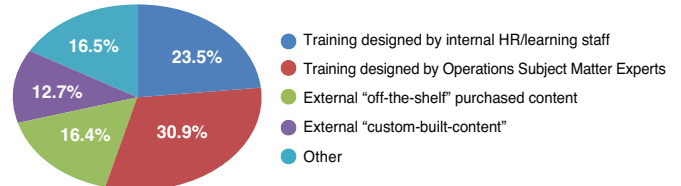
and high-tech organizations yet it was only used extensively by 10 to 15 percent of the survey group.

To add to this challenge, more than 60 percent of organizations admitted they did not use any form of mobile learning or

across industries. More than half of the organizations designed and delivered their own training materials using either in-house HR/training staff or operations subject matter experts.

Group	Highest Percentage of Use (percentage of organizations that deliver more than 50% of their training in this format)	Extremely Effective Delivery
Manufacturing	<ul style="list-style-type: none">In-person ILT (36.9%)Informal peer-to-peer learning (23.3%)On-the-job exercises (18.5%)	<ul style="list-style-type: none">Coaching and mentoring (36.6%)On-the-job exercises (36.4%)Informal peer-to-peer learning (29.9%)
Health Care	<ul style="list-style-type: none">In-person ILT (30.4%)Online performance support (15%)Coaching and mentoring (15%)External university and college programs (15%)	<ul style="list-style-type: none">Coaching and mentoring (40.9%)Informal peer-to-peer (22.7%)Industry conferences and events (27.3%)
High Tech	<ul style="list-style-type: none">In-person ILT (38%)Informal peer-to-peer learning (22.3%)Coaching and mentoring (13.5%)	<ul style="list-style-type: none">Coaching and mentoring (33.3%)On-the-job exercises (28%)Informal peer-to-peer learning (25.8%)

Average percentage of training delivered to skilled workforce, by development model



Overwhelmingly, manufacturing had the highest percentage of training designed and delivered by internal productions/operations subject matter experts. In our aggregated analysis, subject matters experts designed more than 56.49 percent of training delivered annually in manufacturing organizations. No other industry came close to this percentage. From our interviews, we saw a trend toward more training designed and delivered by the operations-level subject matter experts, as well as an increase in the purchase of external content.

The real opportunity for most of the organizations we surveyed was to leverage learning and HR professionals for more guidance and support. Learning and HR professionals often were relegated to simply addressing the soft skills and compliance-based training needs. Yet business leaders readily admitted they had real opportunities in expanding the expectations for technical and operations-level training. They needed and wanted to deliver more blended learning but often were still unsure of where and how to begin, given limited budgets and time. This seems to be an opportunity for a valuable partnership. ■

performance support, as well as online or in-person games for skilled workforce training. Additionally, more than 57 percent of organizations stated they did not use any form of social collaboration or learning tools.

We did see a slight trend in improved performance metrics associated with four specific delivery approaches in the research: social and collaboration tools, online performance support, on-the-job training, and coaching and mentoring delivery models. Our analysis of each of these tools showed that organizations that leveraged them for more than 20 percent of their skilled workforce learning delivery were 5 to 15 percent more likely to see revenues increase by 10 percent or more, improve engagement scores, and have lower than average voluntary turnover rates.

The real opportunity here is to provide a blended approach for delivery—investing in shorter, more job-specific training events that are connected more deeply to the competencies required for each job role.

WHO MAKES THE TRAINING DECISIONS?

Although operations and management teams generally held training and development budgets in most organizations, there was a wide variation in who designed and delivered the training

CASE STUDY: VERIDIAM

Veridiam is one of the world's largest manufacturers of tubing, precision components, and assemblies from high-performance metal alloys and medical-grade plastics, with revenues of more than \$60 million in 2012. Veridiam faced significant business issues in 2009 as it moved from a publicly traded company to a private equity group. Voluntary turnover was reaching 25 percent, and low employee morale was rampant due to concerns about job security and management changes. The company also faced a talent war for a highly skilled manufacturing workforce required to maintain and run the 300 metal-working machines that utilized more than 50 different technologies.

The Human Resources and Operations teams partnered to create a training program to "grow our own" technical talent. The entire company committed to developing a structured and standardized on-the-job training program to support the various manufacturing operations. Phase One started with an analysis of all roles and responsibilities, including benchmarking for compensation equity by level. The team then developed a set of observational on-the-job checklists and offered applicable online technical training to supplement the hands-on training.

Since implementing the new program, Veridiam has promoted 72, reduced voluntary turnover to 5.8 percent, and achieved a 13 percent organic sales growth, along with a 60 percent EBITDA increase.