Employee Training in America

A benchmark national survey of training and development executives sheds some light on the state of U.S. employee training and where it's going. Here are the highlights.

Until now, there has been very little reliable data about the state of employee training in the United States. Studies exist of small populations or of isolated segments of activity, but few document a broad picture of employee training in American companies in a comprehensive and methodologically sound manner.

This lack of sound information concerning U.S. employee training gave impetus to a recently completed study conducted by Opinion Research Corporation (ORC) and sponsored by the American Society for Training and Development (ASTD). Twenty-six U.S. companies and government organizations funded the project.

With input from ASTD, the funding organizations, relevant training literature, and their own research experience in the training field, ORC compiled a telephone survey designed to capture data that would provided a comprehensive and national perspective on employee training in America.

From the last three weeks of December 1985 through the first week of January 1986, 756 telephone interviews were completed with training and development executives from a random stratified sample of U.S. companies. (See sidebar, "Statistical Reliability: It's All in the Response Rate," for an explanation of why this procedure was used.)

Examples of the topics covered by the survey are:
■ corporate training and development philosophy
■ current and future roles of commercial training suppliers
■ roles of trainers in organizations today
■ the practice of needs assessment for training program design
■ instructional technologies in use today and their effectiveness
■ budgetary trends
■ computer-aided instruction
■ evaluation of popular and emerging training methods and materials

The ASTD/ORC report presents significant differences that were found in training policies and practices in companies of different sizes and types. What follows are key findings of the survey, condensed from that report.

Corporate philosophy

Most respondents indicated that employee training is an integral part of human resource, as well as corporate, strategic planning. This tended to be more likely in organizations whose training executives characterized them as "more innovative than others."

Roughly four of five companies, especially larger employers, earmark monies for training every year. Most of these organizations maintain actual training budgets; over half the training executives predicted that their 1986 budgets will increase relative to 1985. But, firms that did not meet their 1985 financial goals were less frequently reported to increase their training investments. Since different employers include different types of expenditures in their training budgets, it is extremely difficult to compare actual levels of training expenditures from one company to the next. This is a fact not always taken into account in other studies that attempt to assess employee training expenditure trends. Table 1 gives a rundown of common training budget expenses and their frequency of appearance.

Staffing considerations

As might be predicted, the larger a company's work force the larger its training staff tends to be. Overall, the average number of professional training staff in the companies surveyed was 10, a fairly constant average over the past few years. Training executives who reported that their companies had not met their 1985 financial targets also indicated that they had experienced staffing reductions.

Trainers tend to be located in many

operational areas throughout organizations, as evidenced in Table 2. This adds to the difficulty in determining any single company's actual expenditures. Additionally, this creates a situation in which persons other than upper management and training managers have influence over annual training budgets, as shown in Table 3.

Needs assessment

Although the first step in the textbook approach to training programs is a formal needs assessment, about half the training executives indicated that this step is *not* taken most or all of the time. Interestingly, the frequency of needs assessments declines with the job level for which the training program is being developed.

When needs assessments are done, the most frequent methods (outlined in Table 4) include personal interviews and direct observation of the work of the prospective trainee group.

Training participation

On average, training executives indicated that 38 percent of their work forces participated in some form of training in 1985. The organizations that were described as more innovative or having surpassed their 1985 financial goals had

Statistical Reliability: It's All in the Response Rate

The survey sample for "Employee Training in America" was a stratified random sample of American firms, each of which employs at least 250 people. Special quotas were established to insure that a sufficient number of interviews within different industries were completed, enabling reliable segmentation of the survey data for separate industries.

ASTD and ORC chose to use a telephone interview data collection procedure as a means of generating a higher response rate than usually produced by mail surveys. While mail surveys are generally less expensive, they suffer from participation rates of only 10 to 20 percent. Of course, nonrespondents are very likely to be different from respondents; hence, low response rates lead to skewed, biased survey results.

The rate of participation by eligible respondents for "Employee Training in America" was 93 percent.

Table 1—Common training budget expense categories

Expense Category	Percent of Companies that Include Category in Budget
Training materials	96%
Training hardware	85%
Trainers' salaries	64%
Training facilities	60%
Trainees' travel and lodging	47%
Trainees' salaries	30%

Table 2—Location of training staff

Department	Percent Employing Trainers
Personnel/Human Resources	67%
Training/Human Resource Dev.	65%
Operating or Service Areas	48%
Data Processing/Systems	40%
Marketing/Sales	35%
Finance/Accounting	17%

Table 3—Individuals influencing training budgets

Influential	Percent Having Great Influence
Upper Management	86%
HRD Managers	45%
Training Managers	43%
Line Management	16%
Union Representatives	2%

Table 4—Needs assessment techniques

Type of Technique	Percent Who Use Technique
Interviews	83%
Direct Observation of Work	80%
Examination of Performance or Productivity Measures	75%
Questionnaires	66%
Task Analysis	64%

Table 5—Training objectives

Objective	Percent Very Important
Helping employees perform their present jobs well	81%
Orientation of new employees	78%
Keeping employees informed of technical and procedural changes occuring within the organization	64%
Providing an opportunity for employees to develop their personal skills and knowledge	37%
Helping employees qualify for future jobs within the corporation	30%

Table 6—Frequency of training by topic

Topic	Percent Who Offer	Topic	Percent Who Offer
Employee orientation	86%	Customer rels. skills	60%
Supervisory skills	85%	Interpersonal skills	60%
Management devel.	80%	Executive devel.	49%
Computer use skills	69%	Clerical skills	42%
Safety procedures	66%	Craft/trade skills	39%
Prof./tech. skills	63%	Health promotion	35%
Communication skills	63%	Telemarketing skills	23%
Sales skills	60%	Ethical issues	22%
		Remedial education	15%

Table 7—Training for new managers and supervisors

Topic	Percent Who Include	Topic	Percent Who Include
Performance appraisal	88%	Productivity measure.	57%
Employee discipline	85%	Products & services	56%
Employee motivation	84%	Wage & salary admin.	54%
Communication skills	80%	Quality control	53%
EEO/affirm. action	74%	Planning & budgeting	51%
Employee selection	71%	Management info. systems	47%
Employee counseling	67%	Financial skills	40%
Safety procedures	67%	Stress management	38%
Decision making	65%	Strategic planning	34%
Team building	62%	Union/labor relations	30%
Time management	60%	Quality circles	27%

higher participation rates for employee training than those firms characterized as less innovative or falling short of their financial targets.

The average company subsidizes slightly over 70 percent of the tuition costs for courses that an employee voluntarily attends at a school or university. The larger the company, the larger the subsidy tends to be.

Training executives predicted that, relative to other employee groups, they will be sending more managers and professional/technical employees to public seminars and university-based courses two years from now.

Program topics

The most salient training objectives for U.S. organizations are performance-related, evidenced by Table 5.

The most frequently mentioned topics on which companies regularly conduct training include employee orientation, supervisory skills, and management development (see Table 6). In comparison to smaller organizations, larger companies reported offering more of practically every type of employee training covered by the survey. This is, of course, because of the larger training staffs and capacities to conduct training that larger companies possess.

When training new managers and supervisors, the subject areas that appear to receive the most attention are employee performance-related issues such as employee discipline, followed by employment-related topics such as employee selection (see Table 7). The least frequent types of subjects included in training for new managers and supervisors tend to be stress management, strategic planning, union/labor relations, and quality circles.

Methods and materials

More often than not, employers use a combination of in-house staff and outside consultants to develop training programs. The exception to this is in training programs for clerical/administrative employees that tend to be developed by in-house staff. On the other hand, more companies than not tend to use in-house staff to conduct the actual training.

In conducting technical skills training and management development training, training executives reported that they use a variety of methods and materials. The most frequent of these are lectures and discussions, discussion groups, films and

slide presentations (see Table 8). The least frequently used were reported to include some of the newer and more expensive high-tech methods and materials, such as off-the shelf and customized computer-assisted instruction, interactive video programs, teleconferencing, and off-the-shelf and customized videodiscs.

Almost half the respondents indicated that they use computers in some facet of employee training. The most typical computer applications tend to be (in order of importance) word processing/graphics, designing computer-assisted instruction packages, and training management and administration.

Program evaluation

A little over half the training and development executives who were interviewed acknowledged that they use formal methods to evaluate the success of implemented training programs. This is more often the case in larger companies and those described by respondents as more innovative.

The primary explanation given for the failure of training to produce intended results is that trained behaviors are not rewarded and supported in the work environment. Table 9 lists the most common reasons for training failure cited by the interviewed executives. From the survey results management appears to support training with dollars but not politically or behaviorally.

To order a copy of the study and accompanying data base, call Trish Meigs-Burkhard at ORC, 609/924-5900.

Table 8—Training methods and materials used

Method/Material	Tech. Skills	Mgmt. Dev.
Lectures and discussions	91%	92%
Discussion groups	81%	93%
Films	76%	79%
Slide presentations	74%	74%
Audiocassette presentations	70%	71%
Case studies	68%	74%
Role playing	65%	77%
Off-the-shelf videotapes	64%	69%
Simulations	56%	60%
Programmed instruction	55%	44%
Customized videotapes	40%	36%
Off-the-shelf CAI	37%	24%
Customized CAI	23%	20%
Interactive video programs	19%	22%
Teleconferencing	14%	14%
Off-the-shelf videodiscs	13%	13%
Customized videodiscs	7%	5%

Table 9—Why training fails

Reason for Failure	Percent Who Mentioned
No on-the-job rewards for behaviors and skills learned in training	58%
Insufficient time to execute training programs	55%
Work environment does not support new behaviors learned in training	53%
Lack of motivation among employees	47%
Inaccurate training needs analyses	40%
Training needs changed after program had been implemented	35%
Management does not support training program	30%
Insufficient funding of training program	21%