

Informal Training Takes Off

WATCHING A CO-WORKER show you how to operate a machine tool. Asking someone how to use the spellcheck function on a word processor. Listening to a supervisor explain a new accounting procedure. Those are just some examples of the informal ways people gain the essential skills and information required to do their jobs.

Such impromptu activities in the workplace have always complemented, and sometimes replaced, structured training. Until now, however, many training professionals haven't realized the immense scope of informal training that is taking place.

Trainers have always known the critical importance of informal, just-in-time training that occurs every day on the job. Some companies have been tracking and facilitating that kind of training. But for the first time, new data from the U.S. Bureau of Labor Statistics shows that employees spend much more time in informal learning than in formal, employer-sponsored training. In fact, they spend on average 70 percent of their total training time in informal activities.

The data was collected in a 1995 survey, conducted in two phases from May through October. The first phase was a survey of 1,062 employers to gather information on their training expenditures and how much formal training they offered employees. Those results were released in July 1996. (See "How Much Do Employers Spend On Training?" *Training & Development*, October 1996.) The second phase was a survey of randomly selected employees from the companies participating in phase one. The total data offers the most detailed picture to date on workplace training in the United States.

The most significant findings were the first-ever figures on the amount of informal on-the-job training. Past research on employer-provided training tended to focus on the formal kind. The few studies that did investigate informal training estimated how many employees received such training, but failed to pinpoint how much informal training takes place during

the course of a normal workday.

The 1991 Current Population Survey, for example, asked about the types of training that employees received in their jobs. A study by the Small Business Association asked employers to estimate the number of hours that co-workers and supervisors spent giving individualized informal instruction to new employees during their first three months.

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The 1995 Bureau of Labor Statistics Survey on Employer-Provided Training was unique in the type of data it collected and its efforts to ensure accuracy. For example, it used time logs to track all of the training activities that employees participated in during a 10-day period. Experienced field economists visited each company to instruct selected employees on how to identify training activities—for example, "whenever you are taught a skill or provided information to help you do your job better." The time logs recorded the duration of each training activity, how the training was delivered, who was involved, and what type of skill or information was transferred.

Usable time logs were collected from 1,013 employees for a response rate of 47.7 percent. The log activities were designated as formal or informal training. For the purpose of the survey, formal training was defined as "training planned in advance with a defined curriculum."

Some surprising findings

A major finding was a lack of relationship between informal training and organization size. Past research has

consistently shown a correlation between company size and the number of hours of formal training that employees receive. The larger a company, the more formal training it does. In the most recent BLS research, no such relationship was found for informal training. The findings indicate that informal training practices are similar in both large and small organizations and that in small companies, which tend to offer little formal training, informal training does not serve as a substitute for formal training.

Additional findings show differences in the types of training that are delivered formally versus informally. For example, the two types of training that accounted for the most training time overall were computer-related training and production-construction training (which is training in operating or repairing machinery and equipment; manufacturing, assembling, distributing, installing, or inspecting goods; and constructing, altering, or maintaining buildings and other structures).

Each type accounted for about the same amount of total training time (11.4 versus 10.8 hours), but with different delivery methods. Employee logs showed that 57 percent of computer-related training was informal, compared with 81 percent informal delivery for production-construction training. The average amount of informal training was 70 percent of all training.

The BLS survey gives the percentages of employees receiving different types of formal and informal training, broken down by demographics. These figures offer new perspectives on such previous studies as the 1991 Current Population Survey and the 1994-1995 National Household Education Survey.

The BLS survey confirms many of the findings of previous research, with one significant difference. Of employees on the BLS survey, 84 percent had received formal training and 96 percent had received informal training in their jobs. Those results are much higher than previous estimates from the Current Population

Survey that 16 percent of employees on average receive formal training and 15 percent receive informal training. The differences may be due to the fact that participants in the BLS survey were given a broader definition of training than in other studies, asked to consider a broader range of activities, and given more specific examples of training activities.

Possibly the most telling finding of the survey is the cost in wages and salaries for employees' time away from their jobs for formal and informal training. The American Society for Training and Development previously estimated the total cost of formal training per year in the United States to be \$55.3 billion. That figure includes direct training costs and participants' wages and salaries for time away from work to receive training. A new figure from the BLS survey shows that the wage-and-salary cost of employees receiving informal training is almost as great, \$48.4 billion per year.

That figure confirms something trainers have known all along: A lot of crucial employee skills and information is being transferred by "incidental" trainers. In light of the results, people that do formal training should encourage supervisors and co-workers to recognize the importance of sharing work-related information. Informal training is a vast resource in an age of increasing demands on training staff. Knowing the nature and scope of informal training is the first step in making the most of it in the workplace.

Research Update is a quarterly column that summarizes recent HRD research and is edited by **George Benson**, a research analyst with the American Society for Training and Development. Send submissions, comments, and suggestions to **George Benson**, ASTD Research Department, 1640 King Street, Box 1443, Alexandria, VA 22313-2043. E-mail gbenson@astd.org. For copies of the Department of Labor press release, *BLS Reports on the Amount of Formal and Informal Training Received by Employees*, call 202/606-5902.

SURVEY AT A GLANCE

All of the figures apply to the six-month period of the 1995 Bureau of Labor Statistics Survey on Employer-Provided Training.

HOURS OF TRAINING PER EMPLOYEE BY TYPE OF TRAINING

	Total Hours	Formal Hours	Informal Hours
All employees on average	44.5	13.4 (30%)*	31.1 (70%)
Management	1.7	.6 (35%)	1.1 (65%)
Professional and technical skills	6.2	1.9 (31%)	4.3 (69%)
Computer procedures, programming, software	11.8	5.1 (43%)	6.8 (57%)
Clerical and administrative support skills	3.4	.6 (18%)	2.8 (82%)
Sales and customer relations	3.2	.6 (19%)	2.6 (81%)
Service-related	2.1	.3 (14%)	1.8 (86%)
Production and construction	10.6	2.0 (19%)	8.6 (81%)
Basic skills	.3	<0.1 (33%)	.2 (67%)
Occupational safety	2.4	.6 (25%)	1.8 (75%)
Communications, employee development, quality	2.6	1.5 (58%)	1.2 (46%)
Other	.2	.2 (100%)	.0 (0%)

*Refers to percentage of all training time.

► Industries with the largest percentage of training time delivered informally: retail trade (89%), construction (76%), wholesale trade (75%), and services (74%).

► Industries with the least percentage of training time delivered informally: transportation/communication/utilities (53%), mining (52%), and nondurable manufacturing (43%).

► The oldest and youngest workers are less likely to receive either formal or informal training. Workers 24 and younger and workers 55 and older received about half the number of training hours as other workers.

► Black workers received about the same amount of formal training as white workers, but significantly less informal training.

► Compared with part-time employees, full-time workers received nearly five times as much informal training (34 hours versus 8 hours) and three times as much formal training (15 hours versus 5 hours).

► Professional and technical workers received the most hours of both formal and informal training.

► Employees with the lowest earnings were less likely to receive formal training than higher earners; earnings did not appear to have an effect on the amount of informal training.

► Among employees receiving formal training, 78 percent cited "learning a valuable skill that improved job performance" as the main benefit.

► The least commonly cited benefits were, "Received a higher pay rate or bonus," (19% of respondents) and "promotion received," (14% of respondents).

► Less than 1 percent of employees said they received no benefit from training.

► Classroom training was the most common type of formal training, reported by 76% of employees receiving formal training.

► Men received an estimated 48 hours of total training over six months compared with 42 hours for women. This difference was too small, however, to conclude that hours of training were significantly different for men and women.