



Turnaround

PRESS RELEASE  
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Subject        **Learning & Development**

**To what extent is Learning & Development still learning and developing in Australia?**

With reported average L & D spend on the increase compared to last year, we thought we would look at some of the L & D issues facing organisation's today and understand where the spend is going to be.

In January and February 2008, we spoke to 100 HR Professionals and 50 recruitment professionals across Australia and here's what we found out...

The average spend on Learning & Development is on the increase in Australia with 80% of the HR Professionals we spoke to confirming this. But not all areas of industry represented by our research group were planning on increasing this spend – infact, the remaining 20% hadn't or didn't in the near future, plan on budgeting for L & D. Now this didn't mean that these organisations considered L & D to be of a low priority but more a case of handling specific requirements as and when they arrived.

From the information we gathered in February, there doesn't appear to be a general rule of thumb for most businesses when it comes to budgeting for L & D unlike budgeting for Marketing, advertising etc.

For those organisations that did budget for L & D, the average spend varied according to the level of role within the organisation. The more senior positions average between 300% and 400% more than positions at a lower level within the same company. This probably reflects the relative associated costs for delivery of specific skills development training for non-executives and rainforest retreats for the executives.

***We asked; “What are the key learning and development initiatives for your business over the next 12 months?”***

RESPONSE SET	No. of Respondents (up to 500 employees)	No. of Respondents (over 500 employees)
Professional Development	45%	75%
Specific Skill Training / Up-skilling	80%	15%
Induction – Introduce	50%	10%
Induction – Review and update	20%	30%
Company specific procedural training	25%	15%
Executive Leadership	10%	35%
Other	5%	3%

\* Respondents were able to nominate one or more response type in their answer

The focus on Induction within organisations of 500 employees or less is recognition of the direct link between organisations with a clear and structured Induction program and lower staff turnover.

In terms of how L & D impacts in 2008 compared to 2007, the majority of our respondents indicated that the focus would be the same. 10% did however indicate that the focus would shift from being more ‘technical’ to ‘developmental’ – using previously acquired skills.

Only 10 of the 100 people we spoke to have a formalized Personal or Professional Development Plan in place for either themselves or employees. This meant that specific L & D requests were handled on an as and when

basis and subject to the sourcing of an available training resource rather than being scheduled in advance – not so much of a problem but in terms of forming part of an effective Talent Management strategy for the business this has got some way to go before it addresses the issue of retaining high performers.

L & D delivery is still favoured through on the job training although this is backed up with the required level of group/classroom style training.

***“What are the preferred (L & D related) delivery methods within your organisation?”***

RESPONSE SET	No. of Respondents (up to 500 employees)	No. of Respondents (over 500 employees)
External Training Provider	20%	25%
E-Learning	10%	15%
Internal ‘classroom’ Training	45%	50%
Formal Mentoring Program	5%	5%
Position Buddy	5%	0%
On the Job	75%	65%
Other	5%	10%

\* Respondents were able to nominate one or more response type in their answer

Looking at L & D from the employee’s perspective, 75% of those people we spoke to, who did not have an L & D role, believed that their L & D functions were on the whole very proactive when it came to developing new or delivery initiatives to the business.

According to our research this month, L & D is, on the whole delivering but with ‘lack of time’ given as the primary reason for not undertaking additional training – it would seem that the actual delivery is one area still requiring some development.