

How much does your organisation spend per capita on training and on learning and development (L&D)?

Is it above, below, spot on, or nowhere near, the norm? What is the norm?

The Learning & Skills Council (LSC) and the Chartered Institute of Personnel and Development (CIPD) have done the donkey work and discovered what the training spend norm is.

According to the LSC's National Employer Skills Survey, training spend per employee in the UK in 2007 was £1,750, up 11% from 2005's £1,550.

The CIPD's 2008 L&D survey, published last month, found average training spend per employee in the UK in 2007 was £300, up from £272 in 2006.

So, if you believe the LSC, training spend per employee in the UK is more than five times higher than is claimed by the CIPD. I asked them both why there is such a discrepancy. The answer? "Dunno."

Dunno isn't good enough. L&D professionals want benchmarks and want them now.

The answer lies in the samples used in each survey. The LSC's was based on a phone poll of 79,000 employers, while the CIPD's involved a survey of 750 HR and L&D managers. Given this, there is no way that these polls are comparable.

With such a huge response base, the LSC survey will have included thousands of small firms which tend to spend far more per head on training than large organisations. They don't employ HR and L&D managers and so will not show up on the CIPD's research radar.

The LSC says firms employing five or fewer staff splashed out £6,125 per head on training in 2007, while those with 500 or more staff spent £925 per employee. The CIPD said companies employing 250 or fewer staff spent £375 on training. Those with 5,000 or more staff spent £108 per head.

This demonstrates the cost advantage for bigger companies of training en masse and shows the huge financial burden staff development places on small firms. But there is a need to take the LSC figures with a pinch of salt because they include figures for on-the-job training. Of the £38.6bn the LSC says was spent on employee training in 2007, £20.3bn was classified as such.

How can this figure possibly be accurate? On-the-job training involves taking experienced staff away from their jobs while they give instruction to other employees: giving a value for that is surely notional. So Mystic Charlton's view is that the CIPD's figures are closer to the training budgets held by L&D and HR managers.