

IT'S TIME TO TALK TRAINING

How to develop a dialogue on skills at the workplace

Guidance on good practice from the CBI, TUC, BERR and DIUS

JULY 2008

BERR

Department for Business
Enterprise & Regulatory Reform

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Universities &
Skills**

The CBI, TUC, BERR and DIUS would like to thank Professor Mark Stuart and his team at Leeds University Business School for their help in assembling the case studies used in this publication. We would also like to thank the organisations and individuals that gave their time to take part in the case study research.

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Foreword

We believe that this publication breaks new ground. It is the product of a joint venture by our organisations and it addresses a critical, yet relatively unexplored, aspect of the training and skills agenda – how two-way dialogue on training between employer and workforce can be achieved effectively and the benefits this brings to both.

Training is of its very essence a participative activity. Most people learn well only when they are committed to the training or development activity involved, and when they understand its relevance to them and their job. The most successful employers know that they cannot devise and implement a successful training strategy without fully engaging their workforce.

This guidance highlights how ten organisations have established and sustained effective dialogue with their workforce on training. The case studies, based on specially commissioned research from Leeds University Business School, show what is involved and what benefits have resulted. The ten have very different characteristics. They operate across different regions and in different sectors, and the workforces have varied skills profiles. Some are small businesses – the smallest has just sixteen employees – whilst others are well-known names which operate throughout this country and abroad. Some are unionised: others are not.

We want this publication to inspire all parties to engage in effective two-way dialogue on training and skills. For some, this may involve starting the dialogue process from scratch. But for most, it is a matter of assessing how existing systems to engage the workforce can be improved and, perhaps, rejuvenated. We believe this effort is well worth making and produces tangible benefits to all concerned.

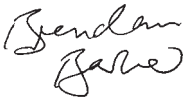
Our advice is aimed in particular at HR practitioners and other managers with lead responsibility for personnel and training issues. But workplace representatives and trade union officials will also find this publication of practical help.



John Hutton
Secretary of State for Business,
Enterprise and Regulatory Reform



John Denham
Secretary of State for Innovation,
Universities and Skills



Brendan Barber
TUC General Secretary



Richard Lambert
CBI Director General

Introduction

This guidance is based on the experiences of ten case study organisations. All ten organisations are exemplars of good practice and their experiences show there are many ways for employers to discuss training and skills effectively with their workforce. There is no single model which emerges. But there are common threads which run through them. For example, all try to establish common goals and values within an organisation, sometimes using group discussion to define and monitor training strategies and outcomes. All engage with staff members as individuals, ensuring that each person has regular training discussions with their line managers. In the best-performing workplaces, this individual dialogue is often supplemented by other forms of two-way communication, either directly with the workforce or through unions and Union Learning Representatives (ULRs) or other workplace representatives. All believe that the dialogue must be firmly rooted in the culture of the organisation and supported by senior management if the full benefits are to be realised.

We have drawn out the unifying themes from the case studies in the section of this document identifying “Top Tips” about workplace dialogue. And the case studies are described from page 16. The final section of this publication tells you where other related advice and practical support can be obtained. It also points to a website where you can find a full account of the ten case studies featured here.

Most workplace dialogue is focussed on the employee rather than other types of worker. In some circumstances, however, organisations may well find it appropriate to include agency workers and others who are not directly employed. One of our case studies – Kings Waterfront, Liverpool – shows how temporary staff and other non-employees can be involved effectively in the

training dialogue. We have therefore used the terms “workforce” and “staff” throughout this document to indicate that it may well be appropriate for dialogue to reach beyond employees.

Why have a dialogue about training and skills?

Research shows that training plays a key role in boosting productivity, as well as providing opportunities for individuals to progress. It is widely understood that the UK needs to improve significantly on skills, if we are to enhance or even maintain our competitive position internationally. Effective workplace dialogue on training can help achieve these objectives.

Training can be delivered either on or off the job. But training can be effective only if staff are willing to take part and are able to make the most of opportunities to learn and enhance their skills. Employers must ensure that the workforce understands the link between the training they receive and their normal work tasks to ensure they fully apply the lessons learned. Managers need to listen and take on board staff input into the design, delivery and accessibility of training.

New recruits or those experiencing difficulties often turn to more senior colleagues or their union representative for help and guidance. As our case studies show, the best performing organisations create a learning culture where such mutual assistance and support becomes second nature to everybody. Such cultures are not created by accident: they occur where managers actively talk to their workforce about training matters and listen to their views on what is needed, ensuring that workforce diversity is taken into account.

When developing their approach to training, it is key that employers understand the views of their workforce and tap into their first-hand experiences. In most organisations, there are many thousands of different work tasks performed and it is often the workforce that knows best what is required to perform those tasks effectively. In other words, employers have much to gain by listening to their workforce.

But it is also important that employers recognise that some staff have a fear, distrust or simply a dislike of training, often due to negative previous experiences. Also many staff members may conceal their skills needs, for fear, rightly or wrongly, of the problems this may cause. Employers need to engage with their workforce and, where present, unions and other workforce representatives to create a supportive environment where staff feel able to discuss openly their training and skills needs. Open dialogue on training can help staff to re-engage with learning. Where they are present, ULRs can reinforce this approach by providing one-to-one guidance and support.

For dialogue to be effective, time, thought and effort are required on the part of both managers and other staff. Our case studies, both in unionised and non-unionised settings, suggest these costs are low relative to the business benefits which can accrue. The benefits of effective dialogue include :

- improved quality, reduced error rates and higher productivity;
- reduced staff turnover and absenteeism;
- improved internal communication;
- enhanced staff recruitment and induction; and
- improved learning cultures, releasing the potential of staff.

At Escrick Park Estate, one of our case studies, they have experienced a drop in recruitment costs and a lower reliance on external consultants. VT Shipbuilding evaluated the returns on investment from the training delivered through the partnership programme with unions, using the Phillips Return on Investment methodology. It found that there was a financial return of 233%.

What do we mean by “dialogue”?

Workplace dialogue takes many forms. It usually involves direct dialogue between employers and the workforce, but can also involve indirect dialogue through unions or through other representatives. Often it is a combination of both, which can be formal or informal and may involve an element of bargaining and negotiation. Most importantly, workplace dialogue must always be two-way to be effective. In other words, it should not be seen just as a means for the employer to pass information to the workforce – employers and managers must also listen.

Direct, one to one discussion between the individual staff member and their manager underpins successful workplace dialogue. Sometimes, this takes the form of personal appraisals that include looking at performance. Organisations may prefer to use personal development reviews which cover aspects of the staff member’s plans and aspirations for future development away from assessment of their performance as they may feel that this encourages openness and honesty.

Dialogue must be a two-way process linked to action. It is vitally important that employers and the workforce are fully committed to this process and ensure that structures and resources are in place to act on what is agreed.

The focus of personal appraisals is on the individual staff member. Appraisals or development reviews are a key component of delivering training policies, but they are not designed to help the staff member shape the policies themselves. So, many employers supplement them with other forms of dialogue, such as staff surveys, team briefings, all-staff meetings and management 'open door' policies, as well as group discussions with the workforce directly.

Dialogue may involve elected or appointed representatives, engaging with management on behalf of the workforce. Often, but not always, they are union representatives. Dialogue with representatives can be useful in helping to shape and interpret staff surveys or briefings.

Many organisations already have successful systems in place to involve their workforce including: bargaining and other arrangements with trade unions; works councils; and consultative committees. These arrangements may cover a number of topics such as terms and conditions of employment, business developments and job prospects. They could also be the place where training is discussed. However, our case studies show that training is often discussed elsewhere, in a separate forum dedicated to the purpose. Organisations have found that this approach allows dialogue about training to continue even in situations where other issues have given rise to disagreement or dispute with the workforce or their trade union. Indeed, effective dialogue about training is credited in our case studies as improving the general climate of industrial relations.

Where employers and unions work together, trade union involvement can take a number of forms. Importantly, employers can work with the union via ULRs, a relatively new, and rapidly

expanding, type of workplace representative. ULRs are specially trained by the TUC or their union to provide advice to their fellow staff members to identify their training needs and opportunities. They can help raise both the rate of participation in training and the numbers who complete training courses and programmes. Unions and ULRs can help ensure that the importance of diversity is fully recognised, for example by ensuring the voices of women and black and ethnic minority workers are better heard. ULRs also engage with the employer, often holding regular meetings with training managers about training plans and the effectiveness of training policies. In many cases, a joint forum is established such as a workplace learning committee with equal management and union representation.

In many cases trade unions and employers have agreed consultative arrangements on training and skills which in some cases may include bargaining. Our case studies show that such

arrangements are a distinct aspect of the employer-union relationship, both in their character and outcomes.

At Merseytravel, dialogue on training is seen as an area of mutual gain and is kept separate from other industrial relations discussions. This has led not only to an effective dialogue on training, but also an improvement in management-workforce communication and general industrial relations. At Rolls Royce and VT Shipbuilding, training is discussed in a separate joint forum that feeds into a joint negotiating committee, thus establishing a clear route for the workforce to influence training whilst not allowing other industrial relations issues to affect the training discussions.

Getting the most from dialogue about training and skills

Broadly speaking, to make dialogue effective it should be open, honest and straightforward. Our case studies demonstrate that employers and the workforce should work together to create an atmosphere where all participants are free to express their opinions without inhibition, particularly where staff are being asked to admit to skills needs. Workforce representatives, for example ULRs, can help here as staff may feel more able to admit to learning needs to someone who is not their manager. Dialogue should be conducted with an eye to delivering mutual goals which have an impact on the workplace. But goal-setting needs to be realistic and parties must appreciate the constraints (both financial and time) which must inevitably exist.

A key element of successful dialogue is to ensure that it remains relevant. When starting the dialogue process, thought should be given to how dialogue is conducted. The needs of both the employer and the workforce should be taken into account when deciding on the balance between direct and indirect dialogue structures.

At SPILA, they operate a system where training is discussed with individuals at quarterly appraisals and also at a more strategic level through a training forum and an Investors in People (IiP) committee. This ensures that individual training needs are captured and that there is a coherent company training strategy.

The nature and level of dialogue will depend on what is being discussed and with whom. The type of dialogue may be influenced by working patterns. So, if a group of staff do not have regular computer access, it will not be effective to try and capture their views through an electronic forum only. Similarly, if a section of

the workforce spends a lot of time away from the workplace, appropriate mechanisms should be put in place to ensure their training needs are discussed.

At Kings Waterfront, Liverpool they have a high level of turnover of contract and casual staff. To ensure that the training needs of all workers are captured a Learning Partnership Network was created that has brought together managers, the union, local education providers and the Sector Skills Council to work with the subcontractors on training issues.

The level of dialogue may also be influenced by what is being discussed. Line managers will talk to their staff about individual training needs. Intermediaries, such as ULRs or other workforce representatives, may wish to discuss more general training themes. Similarly an HR Director will wish to discuss broader training issues and how they fit into the organisational strategy. It is important that processes exist that allow for appropriate discussions to take place and for key messages to be passed both up and down the decision chain.

Once a dialogue structure is in place it should be embedded into organisational practices. At Ogilvy they have developed a culture of learning as part of everyday working life by embedding formal and informal dialogue structures into the organisation's practices. And where they are present, such as at Rolls-Royce and Merseytravel, trade unions can help to embed these structures by establishing a formal union learning agreement or a separate training forum.

Once established and embedded, dialogue needs to be maintained. Keeping dialogue fresh and engaging over time can be a challenge. But this can be achieved by ensuring that a link is maintained between dialogue and the delivery of training, the benefits that accrue from training and by ensuring that monitoring and review takes place.

At Hydrasun they have ensured that their learning dialogue feeds into a learning and development strategy that helps them to deliver externally accredited training programmes.

It is good practice to review the format and structure of the discussion process to ensure that new ideas are captured and that it continues to be fit for purpose as the business changes and its skills and training needs adapt accordingly.

Top Tips

Our guidance is based on actual examples of good workplace dialogue. We asked our case study organisations to identify practical top tips they would recommend to others who wanted to deepen their workplace dialogue. The following top tips draw on their feedback.

■ *Support from senior management is vital*

For dialogue to be successful senior management must have a commitment to both the dialogue and to training. At Café Spice Namaste, there is a feeling that staff should be encouraged and allowed to take part in any training or development activity that they wish to pursue. Senior managers go out of their way to convince their staff of the importance and benefit of training and this has resulted in a loyal and highly skilled workforce. At SPILA, continued support from senior management for the Training Forum and liP committee, despite changes in company ownership, has ensured that the dialogue mechanisms continue to be effective. And at Newcastle City Council senior managers have committed time and support to discussion about training needs with ULRs and have been active in engaging with line managers to impress on them the importance of helping their staff develop.

■ *Be open, genuine and clear*

Dialogue, and by extension training, must be accessible to all. Openness will help staff overcome their fears and will result in a more productive dialogue. It is important that all participants approach dialogue on training and skills in a spirit of cooperation and with a genuine desire to achieve success. Escrick Park use their flat management structure to encourage open dialogue over a number of issues, including training. Staff are encouraged to voice opinions and come up with new ideas at meetings which has created a culture of 'ownership' amongst the workforce on training (and other) issues. At VT Shipbuilding clear structures are in place to allow the workforce to input into decisions on training. Staff know that their training needs are communicated to the Joint Negotiating Committee and decisions taken at senior level are effectively communicated back to staff.

■ *Know your audience*

Keep the language and format of dialogue appropriate to those taking part. It may be necessary to set up several levels of communication to ensure that the appropriate messages reach both senior managers and the workforce. Hydrasun have used their varied dialogue mechanisms to ensure that the views of all staff are captured and fed into a comprehensive learning strategy. They have used this to tailor a range of training programmes for different groups of staff and different departments. And unions at Merseytravel have worked with the employers to help the varied workforce engage in dialogue over training.

■ *Take a long-term view*

Success won't happen overnight. Since attaining liP status in 1999 Escrick Park have worked hard to develop a dialogue strategy that has helped them to reduce their reliance on external consultants and reduce staff turnover. They have focused on both informal and formal structures, such as twice yearly individual appraisals, weekly team meetings and monthly organisation-wide meetings, to develop a culture of open, frank and genuine discussion on training.

■ *Have structure to the dialogue*

Dialogue structures help the workforce to understand how their ideas feed into the overall training strategy. Structures don't always need to be formal, but they help to ensure the longevity and relevance of the dialogue. Management and unions at Kings Waterfront, Liverpool have worked together to create formal structures for training dialogue and delivery. This has helped to ensure that the largely casual, mobile workforce is quickly trained in necessary health and safety procedures and also have the opportunity to develop their own personal skills, both during and after their engagement on the King's Dock site. At Ogilvy they have a combination of formal and informal dialogue structures for the discussion and delivery of training. Identifying training needs is embedded in the company culture and staff have found that their training needs are better identified and fulfilled as a result.

■ *Individuals' appraisals and development reviews are an important foundation to dialogue on training*

Appraisals and development reviews offer staff and management alike the opportunity to assess training and skills needs at an individual level. This helps staff to feel that their needs are being considered and acted upon. At Ogilvy their innovative approach to appraisals means that managers and staff can identify a progression from their current role to future development through short, medium and long-term training plans based on learning needs identified by managers and colleagues. This has helped to promote a culture of learning as part of everyday working life. At Newcastle City Council, they have developed a Performance Development Plan for non-managerial staff to operate alongside the ULRs to ensure that individual training needs are captured and fed into the wider training dialogue systems. The overall dialogue system is seen as generating benefits for both the employer and the workforce.

■ *Working in partnership with trade unions helps build effective dialogue*

Trade unions can offer expertise and support for projects, often through the Union Learning Fund, as well as training ULRs. They present the needs of the workforce to senior managers, promote distribution of training opportunities and help ensure fair distribution of training budgets. Unions, and in particular ULRs, can help members of staff become more confident about learning, offer information and advice to learners and broker provision of training. At Rolls-Royce, union-employer dialogue over training has helped to increase the availability of training and has encouraged staff members to re-engage with training after many years. And at Kings Waterfront, Liverpool, the unions were instrumental in setting up an innovative training programme to help deal with the training needs of a varied and frequently changing workforce.

■ *Ensure there are deliverables*

The dialogue should result in identifiable actions and outcomes that benefit both the workforce and the organisation. At Hydrasun, a training strategy and a range of training programmes for different groups of staff has emerged from their training dialogue. The staff members now recognise that engaging in dialogue about training will result in the delivery of the training they need. This helps them perform better in their jobs and develop their careers. Rolls-Royce has also worked to ensure that their training dialogue has an end product, for example through a Learning Agreement signed in 2006. Since May 2006 around 25% of the workforce at their Inchinnan factory took part in training courses as a result of effective dialogue. At both Hydrasun and Rolls-Royce, importance was placed on transferable skills and both organisations ensured that the training courses undertaken were accredited to industry standards. This helped to improve motivation and demand for training.

- *Consider whether dialogue about training should be distinct from other forms of dialogue*

Talking about training and skills separately from other employment issues may increase focus on training and allow for continuity of dialogue on training when there is conflict in other areas. Effective dialogue on training and skills can help to improve the general climate of employment relations. Dialogue structures at SPILA have helped them to navigate through periods of change whilst maintaining consistency and good practice in training. And unionised organisations, such as Merseytravel, have experienced improvements in general industrial relations as a result of effective partnership working on training.

Case Studies



Name: Café Spice Namaste

Size: 34

Sector: Food Retail

Location: London

Café Spice Namaste is a small, award winning restaurant group specialising in Indian and Pan-Asian cuisine. Over 90 per cent of its 34 staff are trained to NVQ Level Two. Established in 1995, the organisation was initially faced with a staff base that had only limited English language skills, and standards of customer care and service were poor. Staff turnover in the early days was high.

The general policy of Café Spice Namaste is to support their staff in whatever training and skills development they wish to pursue. Training and skills needs are discussed through open, informal daily and weekly meetings and a formal appraisal process. All staff are encouraged to ask for training, as and when they want it. Where training cannot be supported through external forms of subsidy, the company pays. The organisation also offers a 'time incentive' – that is, time-off during work for staff to pursue training. This system relies heavily on colleagues supporting and covering for each other. This system works well and is an indicator of the good staff relations that exist.

The benefits of dialogue around training and skills have led to recognition amongst staff of the importance of training to the maintenance of quality standards and high levels of customer service. It has also had a visible impact on the commitment of staff: staff turnover has reduced to virtually zero; staff confidence has increased and so has their flexibility and openness to new ways of working. The reputation of the business is high. It is the only 'stand alone' restaurant in the UK with liP Champion Status.

Café Spice Namaste exemplifies the importance of senior management support to the success of dialogue on training and skills. Its co-founders, Cyrus and Pervin Todiwala, are enthusiastic advocates of the virtues of investment in training and skills. They believe it is the role of management to 'convince the person' of the value of training and to 'offer a little excitement in taking something up'. Benefits can be achieved where dialogue over training and skills is open and structured, but this should be underpinned by a commitment from management perceived by staff as genuine.



Name: Kings Waterfront, Liverpool

Size: 500–1000

Sector: Construction/public sector

Location: North West

Kings Waterfront Liverpool is a world class development that includes the new Arena Convention Centre Liverpool. It has been built by Bovis Lend Lease under a design & build contract, in conjunction with 30 subcontractors. With a peak of 800 and around 600 people working on-site at any time, the workforce consisted of a mixture of local, national and migrant labour, who had varying levels of formal education. The majority of those working on site were directly employed by the various subcontractors. However, as part of its core values, Bovis Lend Lease sought to establish dialogue mechanisms and encourage the take-up of learning across the Kings Waterfront site.

A key innovation has been a Learning Partnership Network involving senior Bovis Lend Lease management, UCATT, Liverpool Community College, Constructionskills and unionlearn. Dialogue resulted in the set-up of a physical learning centre on site, with all partners contributing towards the set-up and resourcing of the centre. The workforce was initially engaged through a series of taster sessions (for example on introductions to computers), leaflet drops and toolbox talks, revealing high demand for learning. Support from senior Bovis Lend Lease management was vital to the implementation of the learning centre model. Senior management played a key role, in partnership with the union, in engaging contractors and eliciting their support to encourage staff learning and, where possible, support this via a 'give an hour, take an hour scheme'.

Workers have been enthusiastic to take up courses including numeracy and literacy initial assessments and courses, IT courses, English for Speakers of other Languages (ESOL), supervisors courses and Spanish classes. The English language and communication skills of the migrant workforce have been improved, and there is a better industrial relations climate. Improvements in health and safety have been recognised by the Health and Safety Executive, which has sought, voluntarily, to promote the model. This has proved an innovative model for the fragmented and casual employment that characterises construction. With the support of senior management, a structure for dialogue around training and skills was established, in partnership with the union, which can be incorporated into the design stage of future construction projects.



Name: Escrick Park Estate Size: 16

Sector: Serices

Location: Yorkshire & Humberside

Escrick Park Estate is a management company that provides a wide range of services, including a holiday home park, countryside leisure facilities and tenancies of residential properties and office units. The company employs 16 members of staff, along with four contract staff. The majority of staff are based at two sites on the 8600 acre estate: the Estates Office and the Hollicarrs Holiday Home Park. The company achieved liP status in 1999 and is now an liP Champion.

The company operates a flat management structure. Staff are encouraged to voice their opinions, make suggestions and raise their concerns on a continuous basis. A number of formal and semi-formal structures are in place in the company to facilitate dialogue. Twice yearly appraisals, weekly team strategy meetings and monthly organisation-wide meetings are the main formal structures through which dialogue occurs around skills and training. Appraisals provide a means for identifying what individuals need to do for their jobs and what they want to do to develop further, all informed by the longer-term strategic plan of the company. 'Kaizen' activities in weekly strategy meetings have proved a particularly fruitful vehicle for identifying, discussing and taking forward training activities.

There have been a number of benefits to the dialogue around skills and training. The company has been able to reduce its reliance on external contractors for specialist tasks, staff turnover is very low, and the credibility of key areas of the business has improved. The success of the dialogue around training and skills can be attributed to a number of key factors. There is a culture of open, frank and genuine dialogue throughout the company. Management have taken a long term view about the benefits of dialogue, recognising that it takes time and effort to overcome cynicism. Finally, the dialogue has brought deliverables. It is easy to say that workers have a voice and can contribute to dialogue over training but this can quickly result in dissatisfaction and cynicism if suggestions are not acted on.



Name: Merseytravel

Size: 954

Sector: Public sector transport

Location: North West

Merseytravel is comprised of three operating companies, Mersey Tunnels, Mersey Ferry and the Merseyside Passenger Transport Executive. It achieved liP Champion status in 2006. The skills profile is diverse and over 90 per cent of staff are union members, represented by four unions (UNISON, Unite, GMB and UCATT). The company has developed a dense and integrated framework of dialogue around training and skills in response to a critical 2002 Audit Commission report. This suggested that levels of customer service, and workforce skills, could be improved. Industrial relations and staff absence and retention were also seen as poor.

A new system of dialogue around training and skills was driven forward by the Learning and Development manager, in cooperation with the trade unions. The underpinning rationale for all activity has been the potential to develop mutual gains dialogue around learning. An overarching Joint Learning Forum was established to drive, in partnership with the unions, all matters related to training, learning and skills. A formal learning agreement was then signed and a number of projects initiated, with financial support from the Union Learning Fund, under the banner of Merseylearn. The learning agreement sets out the key principles around working together and the role of ULRs and is purposefully 'firewalled' from other industrial relations arrangements. A Performance Development Review (PDR) scheme was also introduced for all staff to ensure employees have a direct path to discuss training needs with their manager.

The outcomes and benefits of dialogue around training and skills have been impressive. Three learning centres have been established, accessed by over 90 per cent of staff since 2004, and supporting measures, such as 'time back' for training, have been implemented. There has been a 50 per cent increase in staff qualified to NVQ Level 2, 400 new NVQs started and 95 per cent of staff have a PDR. Levels of communication and trust between management and staff have been improved, along with the general climate of industrial relations. Grievances are now more likely to be resolved through open dialogue and staff sickness absence and turnover rates have declined.

The case is a best practice example of the benefits of having a structured approach to dialogue around training and skills that is distinct from other forms of dialogue and this is largely because the structured approach reflects a genuine partnership arrangement between management and the trade unions on the training agenda.



Name: Hydrasun

Size: 340

Sector: Manufacturing

Location: Aberdeen

Hydrasun manufactures industrial hoses for the oil, gas and defence industries and they offer inspection services and product training to customers. Hydrasun aims to be a market leader and an employer of choice. The workforce is growing and there is a strong senior management commitment to people development.

Workforce dialogue takes place via a variety of mechanisms, including manager briefings, team meetings and daily briefings. Training and skills needs are discussed formally through a performance management review process where managers and staff discuss and update personal development plans (PDPs). The PDP system is taken seriously and integrated into other business processes. All managers and team leaders have been trained in the delivery of performance reviews and individuals complete learning logs that provide evidence of learning and competency that meet PDP objectives. Hydrasun has developed a comprehensive learning and competency strategy and a range of training programmes for different groups of workers and departments. The strategy has been built into the company's quality management system and been given accreditation by the Oil and Petroleum Industry Training Organisation.

The benefits of building this approach include the development of more highly skilled staff that offer a more flexible service which in turn has brought in more business and increased turnover. Workplace group training programmes bring staff from different sites together and are practically focused on the jobs that people do and on developing customer focused solutions. The strategy has also helped develop the dialogue with staff in relatively low-skilled jobs, raising awareness of opportunities to expand job roles and the scope to progress within the company. This helps improve motivation, the demand for learning and contributes to staff retention. Employees feel more confident in their job roles and know they are working to accepted industry standards.

The main tips from Hydrasun in developing this successful approach have been to implement a training strategy that engages learners by being aware of the deliverables that motivates them: external accreditation, the scope for progression and the transparency of grades and rewards. Such insights are embedded into the appraisal system, which promotes active participation in learning to help build individual responsibility, and is recognised and supported by senior management.

Newcastle City Council employs approximately 15,000 staff, across five main Directorates. It is a highly unionised organisation and the multi-union learning initiative has involved Unison, GMB, Unite and UCATT. The industrial relations environment within the council is described as “very good”, and dialogue over training and skills “exceptional”. Yet, in 2001 the relationship with trade unions was poor, tensions were high within the workforce and there was little workplace dialogue. Just 11 per cent of the workforce felt that they had their learning and development needs identified. This acted as a spur for change.

The unions took an initial lead, through the award of monies from the Union Learning Fund (ULF); these funds were matched by management who entered into a learning agreement with the unions and provided the physical resources for a learning centre. Management also took the opportunity to build a structured approach to dialogue on training and skills at all levels. A Joint Negotiating Committee with responsibility for general employment relations issues and, where relevant, training was established. A Workforce Learning Development Board involves councillors, executive directors and lead trade union representatives. Policy decisions are put into practice through the Learning Council Project Management Team, which brings the Head of Learning and Development and senior union representatives in almost constant dialogue. A Performance Development Plan was introduced for non-managerial staff, which ensured individuals had a direct route to discussing their training needs with their line managers. Employees can also discuss issues with any of 100 Union Learning Representatives, and the Council pays for a ULR co-ordinator to offer support and guidance to ULRs.

Benefits reported by management suggest that staff are more positive in their work, job satisfaction has increased and there has been a reduction in staff sickness and turnover. Staff surveys reveal that satisfaction over the identification of learning and development needs has increased from 50 per cent in 2003 to two-thirds in 2006. Unions are perceived as having a positive role to play in the learning agenda. Workplace dialogue over training is seen as generating mutual benefits, resulting in improved dialogue on other employment issues.

Senior management faced an initial challenge ‘getting line managers on board’, but overcame this by emphasising their commitment to workplace dialogue on training and skills through one-to-ones with line managers. The key tip is that, whilst it is easy to start a dialogue over training and development, structures are important to **maintain** dialogue.



Name: Ogilvy Group

Size: 800 (Canary Wharf)

Sector: Brand Communications

Location: London

Ogilvy Group UK operates 13 companies across the spectrum of brand communications. They are a market leader, with around 1,300 employees in the UK, and 11,000 employees worldwide. Ogilvy is committed to creating an environment where learning and development form part of everyday working life. This is seen to contribute to a positive company culture where people want to work. These values permeate every level of the organisation, from new recruits to senior management, and are continually endorsed by the company Chairman.

The organisation has developed both formal and informal procedures to promote workplace dialogue over training. These range from open door 'informal chats' with line managers and workplace colleagues to a formal appraisal system and the representation of training needs at the highest strategic decision-making levels. The development of new skills is viewed as essential and as 'part of one's job'. The appraisal approach is innovative. The appraisee nominates senior and junior colleagues from other departments to provide feedback on their performance. The results are then discussed with the line manager, training needs are identified and 3 month, 6 month and one-year long development objectives set. The appraisal system is a central means to emphasise to staff that they can learn and develop without the need of formal training courses. In an organisation that takes advantage of such a wide variety of skills, time spent in other departments and workplace learning and experience can be as, if not more, important to an individual's development. There is a culture that learning forms part of everyday working life and everybody, particularly managers, understand this. This is supported by an 'open door' policy when it comes to training, and training needs are frequently identified by line managers who make every effort to be approachable.

Feedback on training received indicates high levels of support and positive feeling in respect of training and skills development. Identifying and addressing learning needs is seen as essential to the 'company culture', and vital to motivation and job satisfaction. The case exemplifies the importance of taking the appraisal system seriously, and also that support from senior management is essential.

Name: Rolls-Royce (Inchinnan)

Size: 1200

Sector: Manufacturing Aerospace

Location: Scotland

The Rolls-Royce Inchinnan factory opened in October 2004, close to Glasgow Airport. The factory manufactures aeroplane engine components and employs 1200 workers. Two trade unions are recognised on the site, Unite and the GMB, and union density is high. The majority of workers are highly skilled. Work is organised around three and four shift systems. In April 2006, funding was secured from the Scottish Union Learning Fund to train existing Union Learning representatives (ULRs) in lifelong learning developments. Further ULRs were trained so that every worker on site had access to a learning representative. The company have provided time off work for training of ULRs and invested in on-site training facilities.

The principal forum for the discussion of training and learning activities is the Learning Steering Group, which feeds into the Working Together joint management-union forum. It meets weekly and has seven members, comprising three from the company side, three conveners from the union side and a chairperson. A formal Learning Agreement was signed between the company and unions in April 2006. Learning Needs Surveys are conducted regularly to identify workforce skills needs.

As a result of the dialogue, learning opportunities have been opened up to the whole workforce, many of whom had not undertaken learning for 20 or 30 years. Over 300 workers (25% of the workforce) have been involved in learning courses since May 2006. Basic computing, European Computer Driving Licence and Spanish language courses have all been delivered on site, and further courses are being made available. All courses are accredited and have improved computing, numeracy, literacy and language skills, as well as improving confidence.

Particularly important to the success of this case is ensuring that there is structure to the dialogue and that the building blocks for effective dialogue are in place before attempting to deliver training and learning agendas. The learning agreement, trained ULRs and Steering Group were all well-established before learning courses were offered. The commitment of both trade unions and management is also seen to be critical to the success of the learning agenda.

Scottish Provident International Life Assurance (SPILA) is a financial services company based in the Isle of Man, whose main products are offshore insurance and investment policies. It has undergone three changes of ownership in the last seven years following takeovers. It employs some 140 staff across a wide range of functions. liP status was gained in 1999.

Dialogue around training and skills occurs through a range of structures, including quarterly appraisal meetings, the Training Forum, and the liP committee. The Training Forum meets monthly and has 10 members, nominated by departmental colleagues. The 12-member liP committee seeks to ensure that the good practice promoted by liP is disseminated across and beyond the company. It also aims to ensure that the liP project is meaningful and constantly evolving. Discussions from the liP committee feed into the Training Forum and vice versa. However, both committees have their own clear remit. The Training Forum governs and evaluates training needs and outcomes. It also provides a framework and infrastructure for employees to develop, through the analysis of personal development plans and the compilation of the annual training plan. A key component of the work of the liP committee relates to training activities, but other issues, such as health and well-being and community projects, are also considered.

The dialogue structures have helped to keep turnover levels low. Dialogue around training has also increased levels of multiskilling. Regular evaluation through surveys has revealed high levels of worker satisfaction with training. Skills awareness across the full range of occupational areas covered by SPILA employees is much stronger as a result of dialogue on training.

The success of the dialogue around training and skills in this case can be attributed to a number of factors. There are strong dialogue structures in place, which have helped the company navigate through periods of change by providing consistency and locking in best practice. The credibility of the dialogue is increased by delivering results, which show workers that they are being listened to. Finally, the dialogue is seen to be genuine in that it provides workers with representation, voice, participation and ownership.



Name: VT Shipbuilding

Size: 1200 employees

Sector: Ship building,
renewal and repairs

Location: South West

VT Shipbuilding's primary activity is the design and construction of military marine vessels. 1200 employees are employed at Portsmouth harbour. Over the last five years VT has embarked upon a major change and restructuring programme, aimed at improving workplace dialogue over skills and training. This was set against a backdrop of 'strained' relations with the recognised trade unions. There was general acceptance at the time that workforce training was inadequate, that morale was low and that productivity was not at an acceptable level. Dialogue over workplace learning grew out of 'frank and open' discussions between management and unions and a commitment to overcome emerging difficulties. A learning agreement was signed in 2003 and a learning centre established. The recognised unions are represented by the Confederation of Shipbuilding and Engineering Unions comprising Unite, GMB and UCATT.

Dialogue on training and skills was formalised through a number of forums. A meeting of all union learning representatives was established, which reports to a monthly meeting of all the relevant unions. This feeds into the Joint Negotiating Committee (JNC), involving senior management and union representatives. Any workplace issues can be raised at the JNC, including training. Decisions made at the senior level are filtered back down to employees through management structures and committees. The open and frequent communications around training that have evolved, and the structures that exist to support this, are seen as vital to the success of the learning agenda.

Over 500 employees have undertaken training courses at the new learning centre and core workplace competency skills have increased. Staff surveys show a rise in morale and motivation on the shop-floor and a positive perspective on available training opportunities. Mutual gains through dialogue on skills and training has resulted in positive dialogue on other issues and an improved employee relations environment. A Philips return on investment found that recent investment in training made a financial return of 233 per cent. However, a top tip from the case is that the learning agenda must not be perceived as only in the interest of raising productivity. Workers must also recognise that training is in their interest – and trade unions can play an important role in this. Dialogue should not be tokenistic, it should be taken seriously and its importance accepted by ALL parties.

Further Information

If you are a business owner or manager and want more information about engaging your workforce, visit www.businesslink.gov.uk/ice

If you are a worker and you want to find out what your entitlements to be informed and consulted by your employer are, visit www.direct.gov.uk/en/Employment/Employees/ResolvingWorkplaceDisputes/DG_10028095

To access advice about making the Skills Pledge and the full range of support available through Train to Gain, ring the Train to Gain helpline, 0800 0155545, or access the website www.traintogain.gov.uk

For advice on training and skills issues in Scotland please visit the Skills Development Scotland website at www.skillsdevelopmentscotland.co.uk

For advice on training and skills in Wales contact the Welsh Assembly Government hotline 0845 60 661 60, or visit the website www.SkillsPeopleSuccess.com

For advice on training and skills issues in Northern Ireland please contact the Department for Employment and Learning on 028 90 257777, or email del@nicos.gov.uk or visit the website www.delni.gov.uk

For practical examples of training in action, visit the Investors in People website at www.investorsinpeople.co.uk

The CBI is the UK's leading business organisation, speaking for some 240,000 businesses that together employ around a third of the private sector workforce. The CBI's mission is to help create and sustain the conditions in which businesses can compete and prosper for the benefit of all. The CBI works with the UK government, international legislators and policy-makers to help UK businesses compete effectively. Find more information on the CBI's website at www.cbi.org.uk

The TUC is the voice of Britain at work. With 59 affiliated unions representing about six and a half million working people from all walks of life, the TUC campaigns for a fair deal at work and for social justice at home and abroad. Find more information on the TUC's website at www.tuc.org.uk

Unionlearn is the TUC's learning and skills organisation. If you would like to find out more about the role of Union Learning representatives, visit the Unionlearn website at www.unionlearn.org.uk

For sector-specific advice on how to implement training practices within your business, contact your Sector Skills Council. Contact details can be found on the UK Commission for Employment and Skills website at www.ukces.org.uk. Legacy information on the Sector Skills Development Agency and SSCs can be found on www.sdda.org.uk

For more detailed versions of the case studies featured in this guide, visit www.berr.gov.uk/employment/employment-legislation/ice/workplace-dialogue/index.html

For advice on other forms of workplace dialogue, visit the Department of Business, Enterprise and Regulatory Reform website at <http://www.berr.gov.uk/employment/employment-legislation/ice/index.html> or the Acas website at <http://www.acas.org.uk/informationandconsultation>

To find out more about the work of the Department for Innovation, Universities and Skills (DIUS) and the Government's strategy to improve the nation's skill levels visit www.dius.gov.uk

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Department for Business, Enterprise and Regulatory Reform. www.berr.gov.uk
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