



**U.S. CHAMBER
OF COMMERCE
FOUNDATION**

THE TRAINING & DEVELOPMENT LANDSCAPE

*Exploring Employer Investment, Challenges,
and Innovation in Talent Development*



Types of training, development, and benefits examined in the survey

This survey explored the current training and development landscape, such as what organizations are offering, how they're innovating, and what challenges are currently holding them back from further investment or innovation.

Additionally, the survey explored the appetite employers have for further talent investment and employer collaborations as well as how employers view the role of government in facilitating these investments and relationships.



**Skill-Based
Training**



**Paid Work-Based
Learning**



**Tuition
Assistance**



**Financial Wellness &
Security Benefits**

Key Findings

1. Despite times of economic change and uncertainty, most employers are **largely holding steady** in the level of their talent investments, with some employers even expecting to increase investment this year.
2. Most employers **are open to innovation** across all types of training investment. However, many say there are a variety of factors holding them back from making changes.
3. Many employers see **government playing a role in providing financing assistance** for talent investment and say this would encourage them to further invest in training and development.
4. Many employers now **partner with others** on talent investments and see the value these collaborations bring.
5. Employers see the need for **shared public-private leadership** in promoting more employer collaboration in this space.

A worker in a yellow safety vest and hard hat is working on a large industrial machine in a factory setting. The worker is positioned in the center of the frame, leaning over the machine. The machine is a large, complex piece of equipment with various components, including a large cylindrical part and several smaller components. The background shows a concrete floor with yellow safety lines and other industrial equipment. The overall scene is a typical industrial environment.

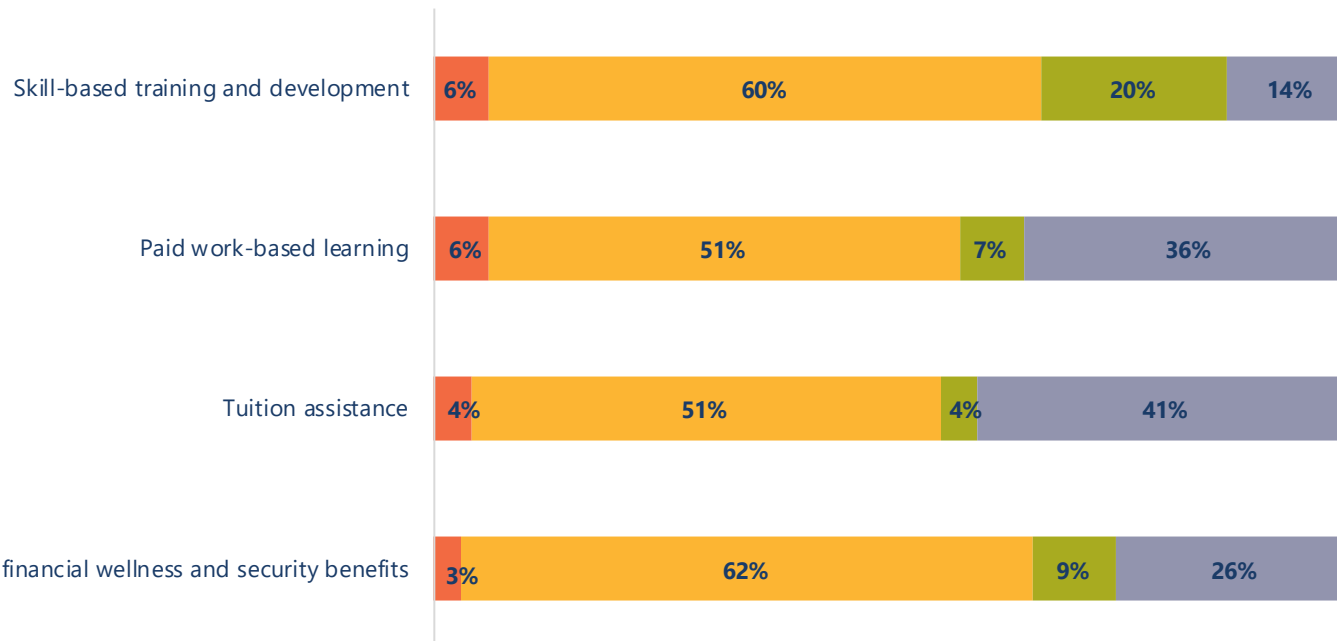
Key Finding #1

Despite times of economic change and uncertainty, most employers are largely holding steady in the level of their talent investments, with some employers even expecting to increase investment this year.

What are employers' **budget expectations** for talent development this year?

With the exception of skill-based training, where **1 in 5** employers plan to increase budget or investment, employers are largely holding steady in the level of their talent investments this year.

■ Plans to decrease budget ■ Budget will remain the same
■ Plans to increase budget ■ Doesn't have a budget in this area and won't for 2021



“ Employee development is a high priority in our organization; however, due to the impact of the COVID-19 pandemic on our operations this year and for the foreseeable future, we do not have the budget or board approval to expand our footprint in this area.

Small employer in the Information industry

“ We are just ramping up to offer more employee training and development. We are having to meet basic needs of employees first and foremost (scaling up headcount, providing basic necessities) before we can approach staff with anything in depth in terms of learning and development. We have a lot of big ideas, but we are a nonprofit at the end of the day, and our budget is limited.

Small employer in the Agriculture, Forestry, Fishing, & Hunting industry

“ COVID has significantly decreased what we can offer our employees in these areas right now. Budget is tight this year due to less business.

Medium employer in the Hospitality, Food, & Leisure industry

What types of skill-based training do employers offer?

94% of employers offer some form of skill-based training. Yet, fewer than 1 in 3 (31%) employers currently offer all four types.

73%

INITIAL SKILL TRAINING

Activities, programs, or events that provide employees with the knowledge or skills necessary to do the job into which they were hired, promoted, or transferred. Examples may include job shadowing and job rotation.

66%

JOB MAINTENANCE TRAINING

Activities, programs, or events that ensure employees continue to be fully productive and able to succeed in their current job. Examples may include new product/services training and technology training.

52%

UP-SKILLING TRAINING

Activities, programs, or events that help employees gain new knowledge, skills, or tools that can enable them to perform new jobs roles or enter other future professions and fields. Examples may include cross-functional training, certification programs, educational courses, and apprenticeship programs.

65%

EMPLOYEE DEVELOPMENT

Activities, programs, or events designed as processes to help employees expand individual capacity and enhance career-related professional skills, other than technical proficiency in their professions and fields. Examples may include formal mentoring, coaching, leadership development, and professional development programs.

What types of **paid work- based learning** do employers offer?

**Question was select all that apply.*

49%

INTERNSHIPS

13%

**COOPERATIVE EDUCATION
PROGRAMS**

9%

APPRENTICESHIPS

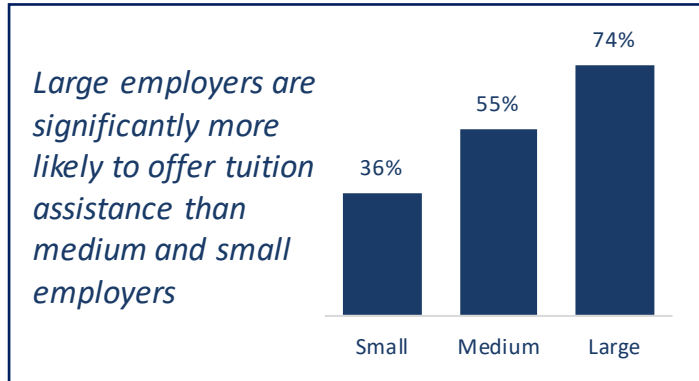
8%

**OTHER (E.G., CLINICALS, TEAM
PROJECTS)**

2 in 5 (40%) employers don't offer any type of paid work-based learning opportunities to students and/or workers that they may hire in the future.

How do employers structure their **tuition assistance programs?**

Employer Size Differences in Tuition Assistance Offerings

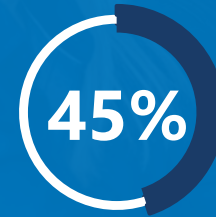


51% of employers offer tuition assistance to employees

However, many implement eligibility requirements when offering it...



Have a **full-time status** requirement



Have a **tenure** requirement (e.g., the employee has worked there 1 year)



Have **other requirements** (e.g., job relevancy of courses, minimum GPA, or a commitment to remain with the company for a set time)

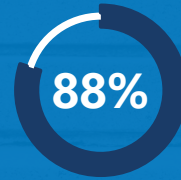


Say **all their employees** are eligible for this benefit

What types of financial wellness and security benefits do employers offer?

The larger the employer, the more likely they are to offer certain financial wellness and security benefits.

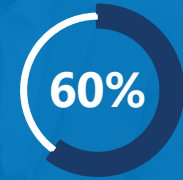
MOST OFFERED BENEFITS



88%
Retirement savings accounts



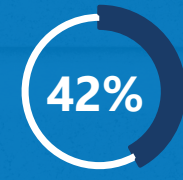
63%
Flexible spending accounts (FSA)



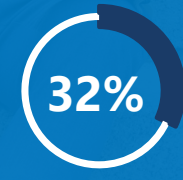
60%
Health savings account (HSA)



51%
Severance packages



42%
Financial counseling and coaching assistance



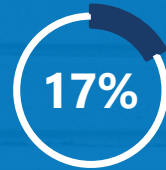
32%
Financial education (e.g., classes on planning, budgeting, taxes)



31%
Financial wellness digital platforms and mobile apps

What types of **financial wellness and security benefits** do employers offer?

LEAST OFFERED BENEFITS



Short-term loans



Debt management services



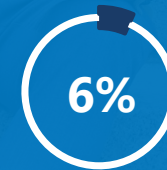
Outplacement assistance and/or retraining assistance for separated workers



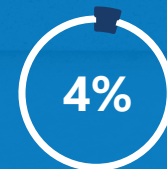
Information and/or application assistance for public benefits (e.g., EITC)



Earned paycheck advances



Education savings accounts



Short-term emergency savings accounts

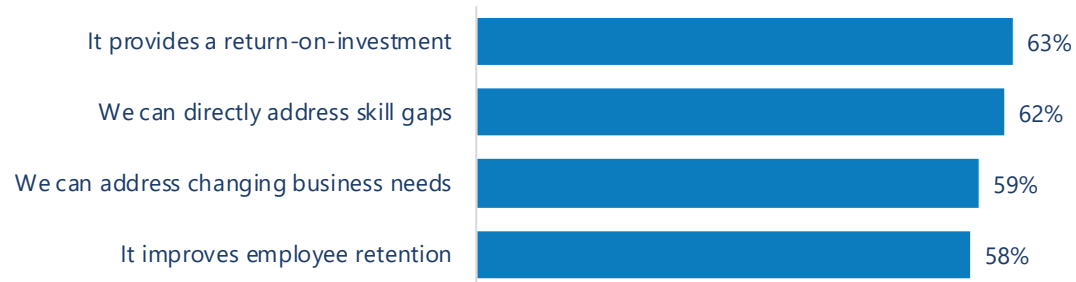
Key Finding #2

A majority of employers are open to innovation (i.e., are not completely satisfied with their current offerings) across all types of training investment.

However, many say there are a variety of factors holding them back from adopting new or innovative changes.

Employers see **clear value** in their current talent investments

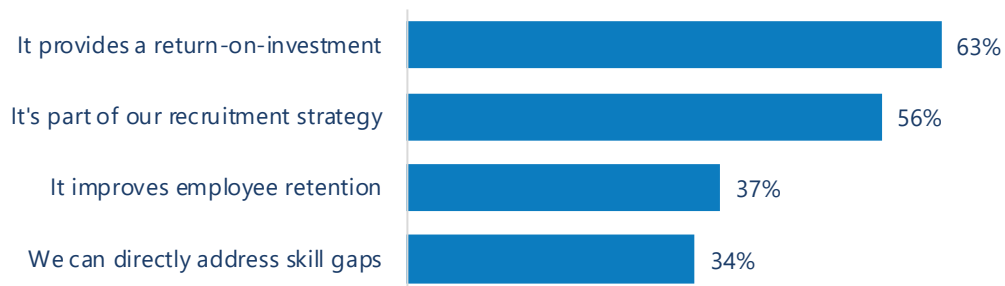
Top 4 Reasons Employers Invest in **Skill-Based Training**



Top 4 Reasons Employers Invest in **Tuition Assistance Programs**



Top 4 Reasons Employers Invest in **Paid Work-Based Learning**

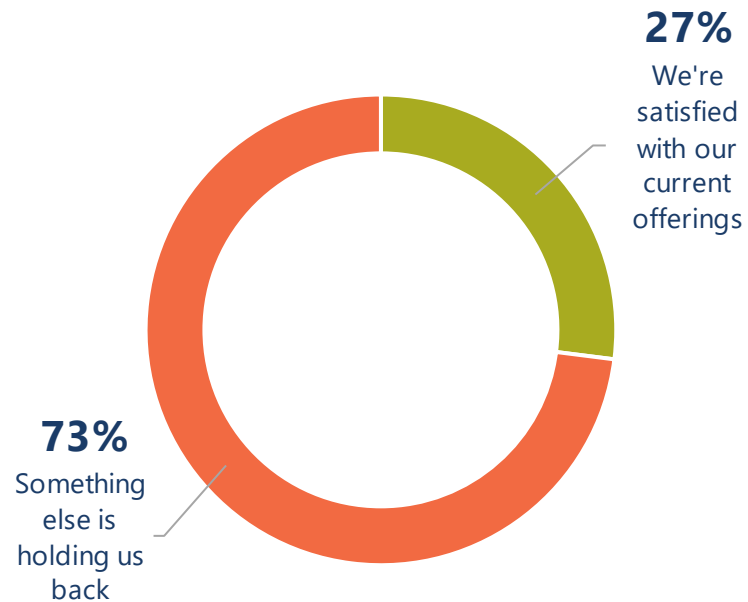


Top 4 Reasons Employers Invest in **Financial Wellness & Security Benefits**

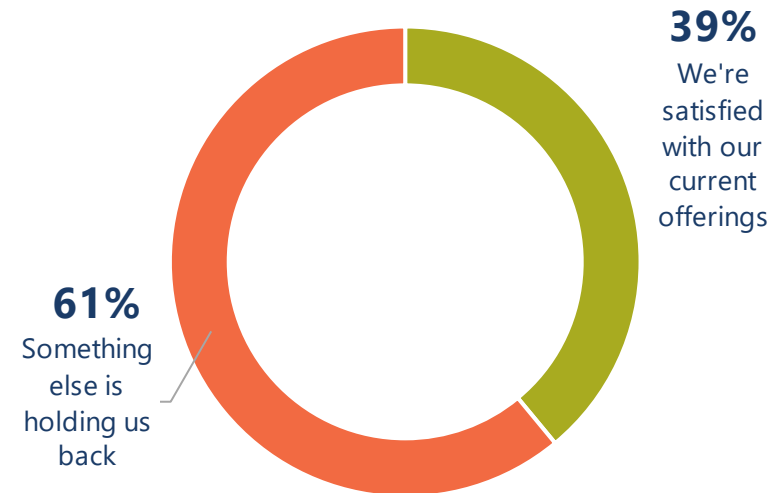


Most employers, especially small and medium employers, **are not fully satisfied** with their current offerings.

What is preventing employers from adopting new or innovative changes to their **skill-based training**?



What is preventing employers from adopting new or innovative changes to their **financial wellness and security benefits**?

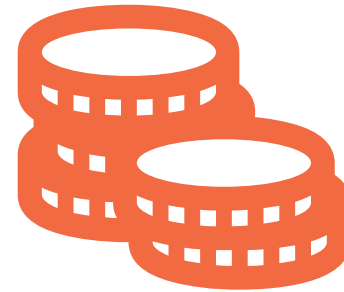


What is preventing employers from **adopting new or innovative changes**?



Over 2 in 5

employers say that a **lack of time** is preventing them from adopting new or innovative changes to their skill-based training offerings.



Nearly 3 in 10

employers who currently offer tuition assistance say a **lack of budget** is holding them back from expanding their offerings. This increases to **6 in 10** for those without a current program.



17%

of employers say that a **lack of information about what new programs/offerings are available** is preventing them from adopting new or innovative changes to their financial wellness and security benefits.



19%

of employers that don't yet have a paid work-based learning program say a **lack of support from senior leadership** is holding them back from starting one.

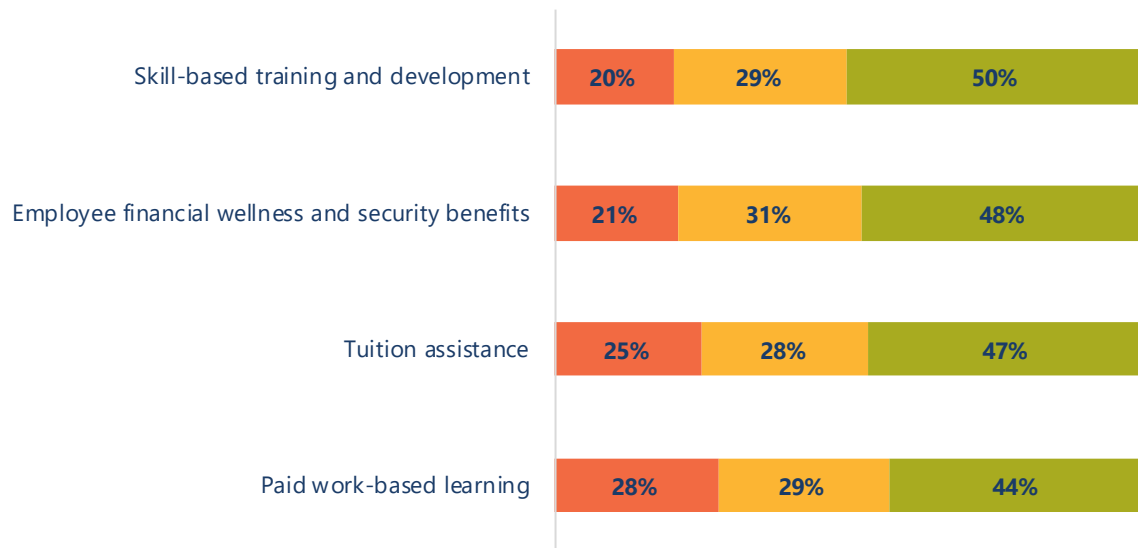
Key Finding #3

Many employers see government playing some role in providing financing assistance for talent investment and say this would encourage them to further invest in training and development.

In what ways could **the government** encourage employers to further invest in talent development?

How important would government grants, loans, or tax incentives be for encouraging your organization to further invest or innovate in the following areas?

■ Not important [NET] ■ Moderately important ■ Very or Extremely Important [NET]



Besides offering grants, loans, or tax incentives, what else could the government do to support or improve employer investment in talent development?

“ We would really appreciate technical assistance in creating and rolling out programs. We're a small non-profit with limited staff resources, so anything new it tough to implement.

Small employer in the Educational Services industry

“ [A] benefits survey demonstrating enough interest to put forth effort into administering additional benefits would help build the case to provide such support.

Medium employer in the Professional, Scientific, & Technical Services industry

“ Well publicized webinars that are easy to comprehend and follow. Processes that are easy and not cumbersome.

Large employer in the Healthcare & Social Assistance industry

“ Establish networks to connect employers to local programs.

Medium employer in the Hospitality, Food, & Leisure industry

Innovating may be **easier** than employers might think...

In-House Training with a Purpose

“

We're in the early stages of creating our own training plan/programs (training academy) for key positions within our company, establishing clear internal and external training needs and timing for employees to receive this training. Our technical industry expertise makes it hard to find people with the skillset we need readily available so we need to do it internally.

Medium employer in the Construction industry

“

While we're a small employer, we've developed several job responsibilities lists that are rotated periodically by staff members (who are at the same level) to continually cross-train and stay up to date with changes - as well as to help reduce burnout and/or boredom. It's not ground-breaking, but it is effective.

Small employer in the Finance & Insurance industry



Innovating may be **easier** than employers might think...

Unique Ways to Build Talent Pipelines

“

We have instituted a "Bootcamp" for new hires that have never worked in the field before. We offer in house, paid training. The offering provides that candidates can receive paid training and certification that would otherwise require attendance at a college or similar institution to achieve the certification before employment could be offered. The cost of the education, in some instances, deters potential candidates from pursuing the emergency medical field. By bearing the cost of affiliating with a local college allows us to provide the training here at no cost to the students, and subsequently increases the number of certified workers in the region.

Medium employer in the Healthcare & Social Assistance industry

Innovating may be **easier** than employers might think...

Utilizing Untapped Talent Pools and Increasing Equity

“

Our tuition assistance program is opposite of most. Our low-income, front line employees are eligible, but our higher-level positions do not get tuition assistance.

Large employer in the Transportation & Warehousing industry

“

[We have a] returnship for women in tech who have been out of work and practice for a while.

Large employer in the Information industry

“

We partner with [...] a local non-profit to help develop skills for people in transition or those lacking workplace skills within our industry, as well as "second-chance" workers or under skilled laborers.

Small employer in the Retail Trade industry

Innovating may be **easier** than employers might think...

Providing Financial Wellness and Security

“

We offer short-term emergency loans to our employees -- but were able to partner with our local bank to make this investment possible. Not only does it give business to our local bank, but also doesn't cost our company anything to offer such a great benefit to our employees! Frees up our budget to add even more benefits and investment ideas!

Small employer in the Information industry

“

We participate in a business resource network. Our organization pays a membership fee to a membership organization that provides a success coach to employees of member organizations. The success coach services are free to employees and the services are confidential. The coach can help with finances, finding medical help, finding housing, finding transportation, finding medical services, legal etc.

Small employer in the Professional & Civic Organizations industry

A woman with short grey hair, wearing a dark blue blazer over a white polka-dot blouse, is smiling and looking towards a man whose back is to the camera. She is holding a white sheet of paper and a pen. They are sitting at a table in a bright, modern office setting with large windows in the background.

Key Finding #4

Many employers now partner with others on talent investments and see the value these collaborations bring.

Many employers currently **have strategic partnerships or collaborate** on talent development



37%

Collaborate on **financial wellness and security benefits**



34%

Collaborate on **recruiting talent**



28%

Collaborate on **skill-based training and development**



21%

Collaborate on **paid work-based learning**



9%

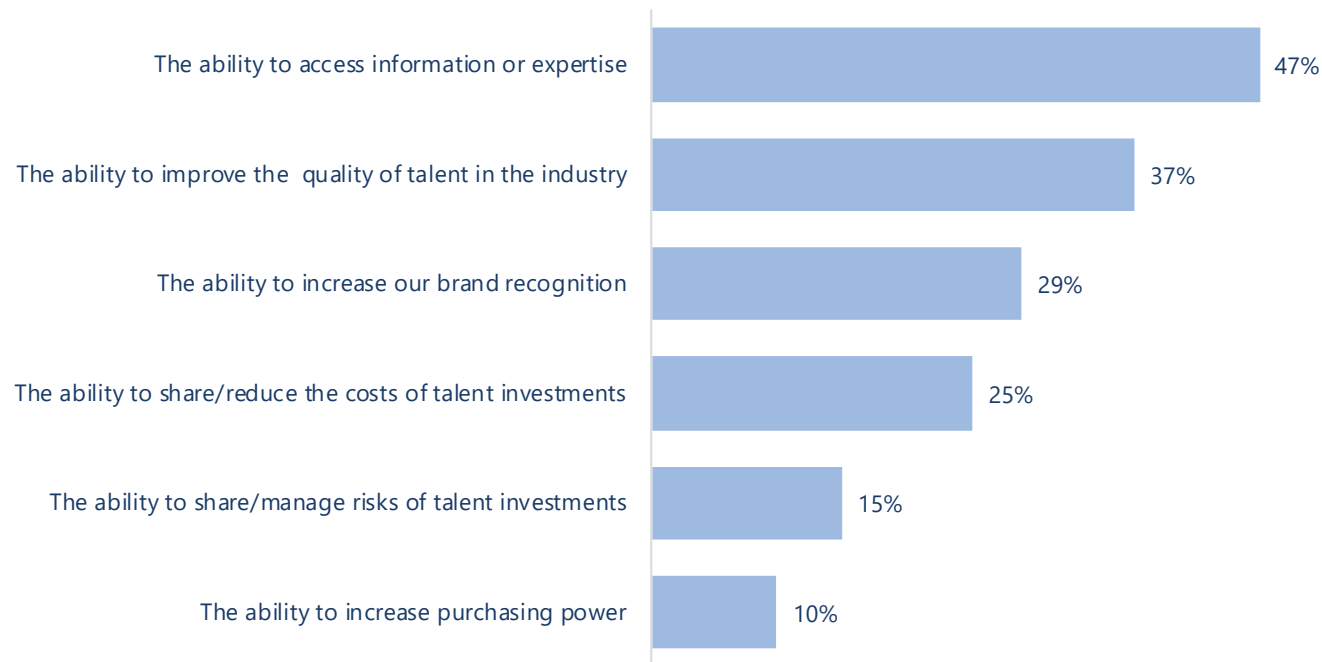
Collaborate on **tuition assistance**

Over half (56%) of organizations collaborate with or have at least one strategic partnership with other employers in the recruiting, training, development, or financial wellness & security benefits space.

Why do employers choose to **collaborate** in these areas?

Reasons why employers collaborate on talent development

**Asked to respondents who said their employer collaborates in one or more areas. Question was select all that apply.*



“ We work with employers that are laying off employees to employ them with us.

Medium employer in the Wholesale Trade industry

“ We are part of a regional group that meets to discuss best practices in the construction and utilities area. We also partner with other employers that have the opposite seasonal needs. Some [of our employees] enter into a shared employment time when business is slow.

Medium employer in the Energy & Utilities industry

“ Finding temporary workers or working with agencies who assist individuals with disabilities to find potential positions in our organization that will be a good fit.

Large employer in the Hospitality, Food, & Leisure industry

“ Specific to the industry, we currently partner with similar organizations to provide a shared network of trainers, facilities, and resources.

Medium employer in the Healthcare & Social Assistance industry

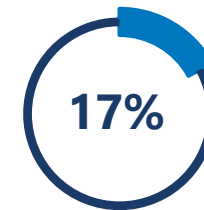
Why don't employers choose to **collaborate** in these areas?

Reasons why employers don't collaborate on talent development

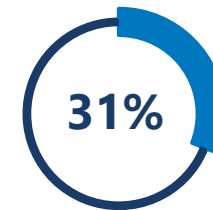
**Asked to respondents who said their employer doesn't currently collaborate in these areas. Question was select all that apply.*



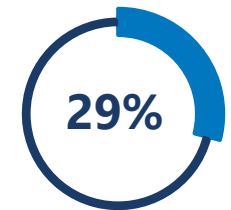
*Percent of employers by **size** who say they don't collaborate because they **don't know where and/or how to find these kinds of partnerships***



Large Employers

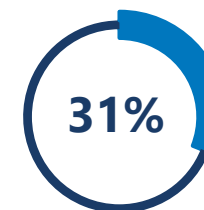


Medium Employers

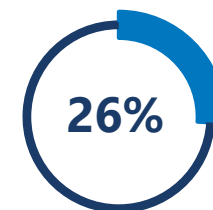


Small Employers

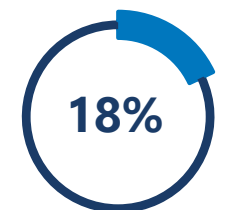
*Percent of employers by **size** indicating they don't collaborate because they **have enough resources to do these things on their own***



Large Employers



Medium Employers



Small Employers

**Those responding "Other" or "None of the above" not shown*



Key Finding #5

Employers also see the need for shared public-private leadership in promoting more employer collaboration in this space.

What role could the government play in better supporting or improving **employer collaboration**?

When asked who should play the primary leadership role in promoting and facilitating employer collaboration, **72%** of HR professionals said **both the public and private sector**.

“ Provide a free directory of companies willing to collaborate, and on what they would collaborate on.

Small employer in the Healthcare & Social Assistance industry

“ Provide and promote a way to connect these employers (i.e. a website).

Large employer in the Hospitality, Food, & Leisure industry

“ Incentivize collaboration through tax credits as a tool to manage unemployment and encourage upward mobility.

Medium employer in the Educational Services industry

“ Increase awareness through the Small Business Administration or other areas. Small businesses need extra help in many areas like this.

Small employer in the Manufacturing industry

“ Creating a forum and opportunities for the private and public sector to facilitate employer collaboration; instead, I believe we currently have a competitive mindset that only seems to hurt the employees we intend to recruit and retain.

Small employer in the Professional, Scientific, & Technical Services industry

Now more than ever, talent development strategies and investment in employees are critical for organizations to maintain a competitive advantage.

Although employers recognize the importance of strong talent investment and are open to further innovation, many face barriers to expanding their offerings.

There is a clear opportunity to pursue new public-private approaches to talent investment that promotes investment in employees, innovation, and employer collaboration.

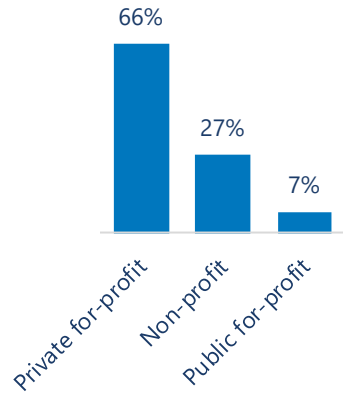


Questions?

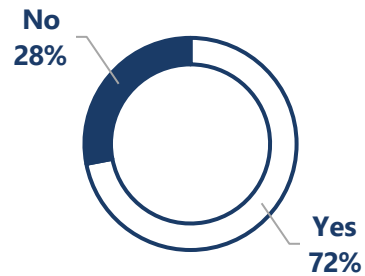
Methodology and Sample Demographics

The survey was fielded electronically to a sample of HR professionals from the active SHRM membership from December 3, 2020 through January 21, 2021. In total, 1,343 HR professionals participated in the survey on behalf of their organization. Organizations in the government sector were excluded. Respondents represented organizations of all sizes in a wide variety of industries across the United States.

Sector

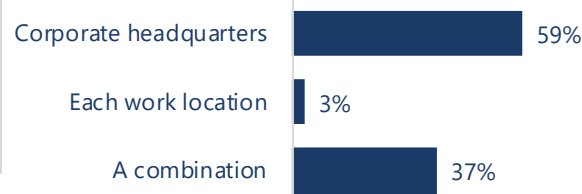


Does your organization operate in more than one location?



Where are decisions about training, development, and other benefits programs made?

**Asked to those who operate in more than one location.*



Industry Sectors

Healthcare and Social Assistance



Wholesale and Retail Trade, Transport and Warehousing



Professional, Scientific, and Technical Services



Administrative, Support, and Other Services



Manufacturing



Educational Services



Construction, Utilities, Agriculture, and Mining



IT and Data Processing Services, Software Development



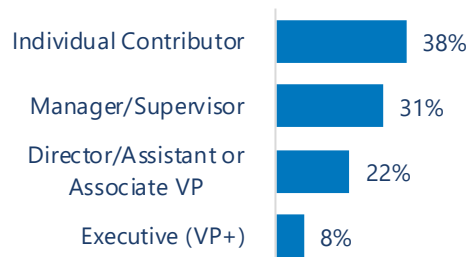
Information, Finance and Insurance, and Real Estate



Hospitality, Food, and Leisure

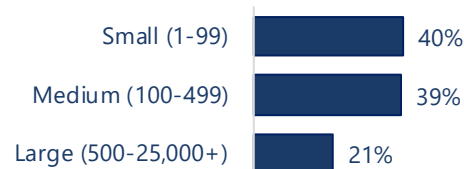


Role/Level



Employer Size

**Number in parentheses refers to number of employees*



Headquarters Region

