

Leadership deficit in UK organisations poses learning challenge

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Two-thirds of UK organisations are suffering from a shortage of highly effective leaders, according to a survey of 664 training managers working in UK organisations. In response to this leadership deficit, 85% of UK organisations are now investing in some form of leadership development activity.



Jessica Jarvis

These are some of the findings of the 2005 *Training and Development Survey* from the Chartered Institute of Personnel and Development.

The widespread use of leadership development activities is perhaps unsurprising in the light of perception of their value. Ninety-eight per cent of respondents think that well designed leadership development activities can have a positive impact on the bottom line and 91% believe that there is a direct link between investment in leadership development and organisational performance (91%).

According to the learning, training and development professionals surveyed, the main drivers for investing in leadership development are to successfully manage organisational change, to ensure that the forward business strategy can be delivered as well as to fill internal skills gaps. Separate research from the CIPD shows that organisations undergo some form of major organisational change every three years, but that four in ten such reorganisations fail to achieve their objectives.

Jessica Jarvis, CIPD adviser on learning, training and development, commented: "This leadership deficit could undermine the ability of UK organisations to adapt to change and achieve their business strategies. Although many organisations are investing in leadership development, it appears that many leaders lack the skills to successfully lead and manage organisations during times of change.

"Despite the importance of these activities, training professionals still face considerable challenges in delivering leadership development. Arguments continue to rage about the most effective solutions and almost half of respondents report that it isn't an essential business activity (47%). Other significant barriers are a lack of support from senior managers (40%) and problems proving the direct impact of activities on business performance (38%). Trainers still have a lot of work to do in convincing senior management of the benefits of leadership development."

Trends in training practice and the growth in coaching

Although traditional forms of learning such as formal education courses and off-the-job instructor-led training are still used almost universally, organisations are increasingly turning to alternative methods such as coaching and e-learning to promote learning at work. 88% of organisations now expect their line managers to deliver coaching as part of their day-to-day work, and two-thirds of organisations employ external coaches to develop their staff. For the first time, over half of organisations (54%) say they are using e-learning as part of their learning strategy.

When asked about the effectiveness of different training interventions, 92% of respondents rated external coaches as effective or very effective, although 17% of respondents did not think the same was true of coaching by line managers. The growth in coaching looks set to continue, with 74% of organisations reporting they expect to step up their use of external coaches in the next few years.

Jessica Jarvis commented: "The days in which training almost always meant formal classroom based courses have gone. Staff development is now an ongoing activity using a wide variety of formal and informal learning methods. Coaching by external practitioners is increasingly popular, and most organisations are also now using their line managers to develop staff through coaching. However, if coaching is to deliver on its promise, employers need to ensure that line managers are provided with sufficient training themselves."

Future skills requirements and workplace learning

The skills required by organisations to successfully compete in the future were a significant focus in this year's survey. 94% of respondents recognised that upskilling their workforces is important to achieving their business objectives. Skills requirements also look set to continue to rise. Only 10% of employers expect to need the same level of skills or lower in three years time. Of the remainder:

- 36% expect to need a higher level of skills from their staff in three years time
- 26% expect to need different skills to the current time
- 26% expect to need their workforce to display a broader range of skills.

Worryingly, however, the expected increase in skills requirements comes against a backdrop of 39% of learning, training and development professionals reporting a lack of interest from senior staff as a barrier to delivering the improvements needed for their organisations. Equally concerning are the 41% of organisations who report that employee reluctance to engage in learning is a barrier.

Jessica Jarvis said: "Skills shortages are already causing employers real difficulties and yet they are still failing to face up to their future skills needs. A tight labour market is generating a fierce war for talent but employers need to look beyond immediate needs and start planning for the future. Organisations are not providing sufficient support from the top or sufficient motivation to their people to boost the skills levels of their existing workforce. If employers do not provide support for learning at work, and continue to rely on recruitment to meet skills needs, they will find their own organisations falling behind, and they risk contributing to a wider problem for UK plc."