

## **Budget cuts leading to rise of informal learning**

*Employers are turning to informal training methods to help reduce learning and development costs, according to research by XpertHR.*

Two-thirds of the organisations taking part in the survey have taken steps to cut back on training expenditure in the past year, and among these, 80% have turned to informal learning as a cost-cutting measure.

Along with the reduced use of external providers, informal learning methods such as work-shadowing, secondments, coaching, mentoring and social networking, are considered to be the most effective ways to reduce expenditure by the HR professionals taking part.

Charlotte Wolff, XpertHR training editor and author of the report, says: "Although L&D budgets have been seriously challenged in the past year by adverse economic circumstances, the effectiveness of training has not necessarily been diminished. We were interested to find that 31% of employers making cutbacks have actually seen improvements in the effectiveness of L&D, and a further 47% said that efficiency remains unaffected."

Other examples of measures taken to reduce outlay on training include:

- more cross-organisational collaboration
- increased involvement of managers in the delivery of training
- more rigorous training needs analysis against business strategy

Charlotte adds: "Some organisations are seeing better results from their training, because of the increased involvement of line managers, which can make the learning more relevant to the needs of the organisation. Applying a more analytical approach to the planning and application of learning and development is also likely to be a positive move for employers."

The survey also found that the average annual L&D budget per employee is £357, only slightly higher than three years ago, in 2009, when it was £334. Over the past year, 32% of employers saw their L&D budgets decrease, and 38% said it was frozen.

To take advantage of informal learning, through coaching, group learning, facilitated sessions, mentoring, etc. do contact me to see how we can shave vital pounds off your training budget this year!

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