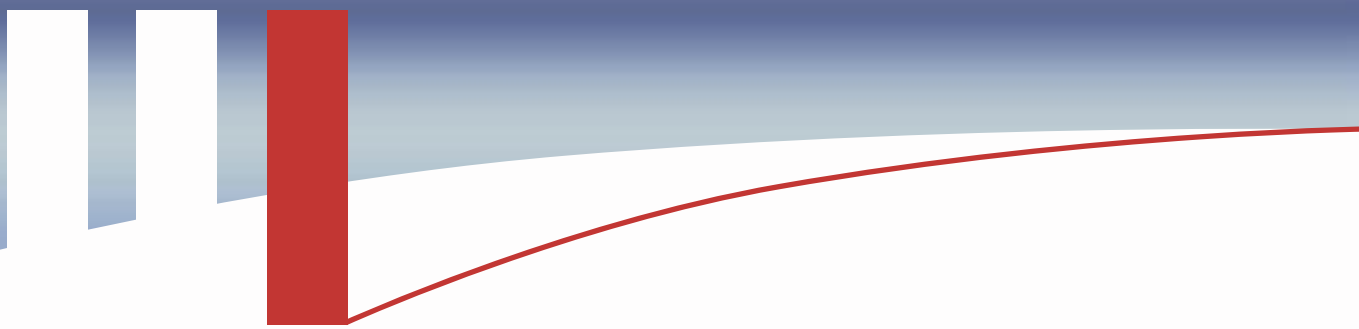


# Leadership and Management - What's it worth?



*The case for spending time, money and energy  
on learning and development  
for leaders and managers*

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The Wales Management Council is an employer-led body, funded by the Welsh Assembly Government to promote the development of managers in the private, public and voluntary sectors in Wales.

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The Wales Management Council aims to inspire, motivate and drive change in the perception, delivery, take-up and funding of management and leadership development in Wales.

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Llywodraeth Cymru  
Welsh Assembly Government

# WALES MANAGEMENT COUNCIL

*Leading Wales towards excellence in  
leadership and management*

## Leadership and Management – what's it worth?

*The case for spending  
time, money and energy  
on learning and development  
for leaders and managers*



**Cyngor Rheolaeth Cymru**  
**Wales Management Council**



# FOREWORD

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“We need good managers to create good businesses” is an obvious truth, but the evidence to prove that is hard to come by.

That is why we think it is so important to develop a convincing case for spending time, money and energy on developing our leaders and managers in Wales.

If somebody asked you, “How good a manager are you?” what would you say? And would you respond differently if the emphasis was on the “are” rather than the “you”?

Most of us would probably reply with positive bluster, “Look at our results ...”, “Sales are up, costs are down, profits rising, “Just ask my staff, they’ll tell you”, or even “I didn’t get where I am today worrying about the quality of my management.”

But outside observers might question the validity of any of those answers. Could results be better? What do the staff really think? Arrogant confidence may cover a multitude of sins.

So on the one hand we have people who think that the case does not need to be made, which suggests that everything in the corporate garden is rosy, and nothing, no weeding, no fertilising, no pruning, no tidying, no training, no digging, no planting needs to be done. But is that the way to make a garden?

On the other hand, and from another angle....

We all know the “case” for a healthy diet and healthy living. Continuous propaganda, both government funded and commercial, has persuaded us that it is beneficial to reduce our intake of sugar, salt, fat, and alcohol, increase our consumption of fruit, fibre and vegetables, and devote serious daily time to real (heart and lung thumping) exercise.

But does “knowing the case” mean that we do anything about it?

When crisis hits, and the doctor gives us dire warnings about the effects of not doing something about it, we take action. But, to move from metaphor to reality, in business terms that’s too late.

We need evidence, role models, examples, and clear arguments that will persuade us, and all like us, that the time for action to develop our leadership and management skills is now, for our own personal growth, for the success of our company or organisation, and through both of those, for the economic development of Wales.

We hope that the considerable body of evidence in this wide-ranging report will help to convince you that the case can be made, that the evidence speaks for itself, and that taking action is the only option, because you cannot afford not to.

Wales Management Council  
September 2008

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# INTRODUCTION

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This report makes the case for investing, in good times or bad, in management and leadership development.

We know that leaders and managers with vision, passion, energy, enthusiasm, and a real engagement with their people are the key drivers for economic growth in Wales. But do our leaders and managers invest sufficient time and money in the learning and development that they need to meet the challenges they are facing now and will face in the future?

Most of the time people are both leaders and managers, using leadership and management skills at different times for different reasons. For that reason it isn't particularly helpful in the context of this report to distinguish between 'leaders' and 'managers' and so we will refer to them as "leader-managers" throughout.

These leader-managers are the key people in any organisation, and reviewing the case for their skills and learning and development is critically important.

We will be looking at learning to improve performance, and learning as a strategic advantage, not just training by going on courses.

Throughout this report we use the following abbreviations for simplicity and speed of reading:

- MLD = Management and Leadership Development
- L&D = Learning and Development
- LM = Leader Manager

**Part 1** looks at the wider picture of the demand for skills in order to meet both current and future economic needs and at the specific requirements for leadership and management skills. It makes the case for investing in the development of these skills.

**Part 2** looks at what practical steps a busy, pressurised SME owner-manager can take in order to ensure that investment in this area is well-made: with learning needs properly assessed, development activities planned, implemented and evaluated appropriately.

We have used many academic articles and reports in preparation for this report, but we have tried to keep academic-speak to a minimum and to use their research only where it makes a useful point.

The Wales Management Council's objective in producing this report is to provide a compelling argument, useful information and practical suggestions.

Please tell us how successfully we have met this objective.

Siân Rees  
Wales Management Council  
September 2008

# Part 1 - The Case for Management and Leadership Development

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## 1. Overview

"Enough already of complex management theories! Building your bottom line is a simple equation: Engaged People = Enriched Profits. The best way to survive, compete, or thrive in any type of economy is through the experience you provide for your employees – one that will fully connect them to your organisation and drive business toward you."

*Destination Profit, 2006, S Cawood, R Bailey*

Businesses are indistinguishable from the people within them, from the founder or owner/manager to the new employee. As the Institute of Directors tell us, "Staff, the most valuable asset of any company, really can make or break your business. Expanding their skills is one of the most important investments you can make." What we're increasingly recognising is how fundamentally essential each individual is to the success of the organisations they belong to. This is such a truism that people are, ironically, often overlooked when it comes to investment. Many a time, companies invest in IT, in accountancy support, in premises rather than investing in the resource that makes all the rest happen. And in investing in the most influential resource in unlocking the productivity of others – the front-line manager.

"The basis of good management is widely known and understood. Our research demonstrates that skilled management is one of the single most effective ways to improve performance, so it is frustrating that so few firms seem to recognise or be trying to address their own limitations in this area."

*John Dowdy, Director, McKinsey & Company*

"If we had robots, we wouldn't hesitate to upgrade their software programmes. With people we must continually upgrade their knowledge, understanding and their skills."

*John Vigar, Lotus Group*

Perhaps this reluctance to invest is because we worry that since people are mobile, our investment in their skills is mobile too! And it's hard to release people from their daily responsibilities to undertake development activities particularly in time-pressured SME environments where cash flow is also under pressure. Or maybe it's because it's hard to quantify exactly what our people are worth. Certainly the accountancy profession still hasn't agreed on how companies can reflect the value of their human assets on the balance sheet. People are still reflected in company accounts as 'costs', liabilities even. What we know intuitively about the absolute importance of people to commercial success, is often hard to 'prove' within the current reporting frameworks we have as businesses.

People are also more difficult than other assets to manage. Or, at least, this is how people are often seen. The Chartered Institute of Personnel and Development (CIPD) tells us

"Poor management and unrealistic opinions about the needs and expectations of people can damage this vital resource overnight. People are our most valuable yet most volatile asset."

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With leadership and management in particular, an even worse picture emerges. Companies may invest in skills which are legally required or are part of a core product. Yet,

"...somewhere along the line, we've convinced ourselves that management is a skill that can be picked up with little formal instruction. In contrast, we wouldn't let an unqualified engineer build a bridge yet we allow untrained managers loose in our businesses and organisations. The reality is that management is a difficult skill that most of us aren't 'naturally' good at."

*Management – why are the soft skills so hard? J Barnett, 2003*

Successful companies understand all this. They are high-performing because they are successful at intricately connecting their people to their business.

Those companies which truly believe that their people are the source of their success, and invest accordingly, will be the ones which succeed, the ones which truly fulfil their potential in the future.

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## 2. The Wider World – what’s going on out there?

Over and over again we’re told that enormous changes are going on in the world around us; changes that affect, in some instances profoundly, the way that we live and the way that we do business. These shifts and trends are placing specific pressures on the skills we need in order to prosper, as individuals, as organisations and as a country. These present opportunities and threats are driving a need to develop SME leaders and managers ever more effectively.

So, what **is** happening out there in the wider world?

Trend	Implications
Globalisation	Harder to differentiate, instant communication everywhere. Impact of a global financial system.
ICT advances	New knowledge base, increased pace of change, information everywhere. All pervasive media. Competition for attention.
Deregulation of markets	Increased competition/increased opportunity.
Increase in consumer power	More demanding and discerning customers. Loyalty more fleeting.
Workforce mobility	Increasing and expected, especially by ‘Generation Y’ <sup>1</sup> via ICT
Ageing workforce & retirement of the ‘baby boomers’	Increased demand for workers reflecting skills gaps and changes in numbers of younger (decreasing) and older (increasing) workers
Decline in the birth rate	Fuels competition for workers
Longer careers	Increased requirement for skills development and lifelong learning
Different attitudes to work in the young – ‘Generation Y’	Companies will have to work harder to recruit and to keep them.
Development of Brazil, Russia, India and China (BRIC) economies	Driving increased competition in a variety of markets based on labour costs and skill levels. Accelerated product and service development.

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<sup>1</sup>Generation Y refers to those born between 1980 and 1994. They have grown up with the internet and are used to instant access to everything, including work. ‘Generation Y’ come after ‘Generation X’ born between 1965 to 1980 in an era of industrial strife and feeling much less secure about work.

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All then leading to the key implications of:

- Accelerated pace of change driven by technology and emerging economies
- Work/life balance receiving a keener focus
- Workers are in a seller's market – employers are competing for skilled workers – skills shortages in some areas as reflected by Manpower's 2007 survey: 38% of UK employers struggle to find the right staff
- Need to develop skills ever more quickly
- People management skills become even more important as the link between good management and productivity becomes more overt and accepted
- More complex environments drive the need for skills such as more sophisticated strategic thinking skills, innovation to compete and communication
- Increased pressure on leaders and managers to meet these challenges. It has been said that, "understanding leadership is the "single most important task for society today"". (Donald Krause, 1997).
- 'Talent' and those with significant leadership qualities are becoming even scarcer resources

This last point is supported by Manpower's report *Confronting the Talent Crunch 2007*. Their survey shows that managers and executives are in even shorter supply now than a year ago.

2007 Top Jobs	2006 Top Jobs
1. Skilled Manual trades	1. Sales Representatives
2. Administrative Assistants/PAs	2. Administrative Assistants/PAs
3. Engineers	3. Skilled Manual Trades
4. Sales Representatives	4. Engineers
<b>5. Management/Executives</b>	5. Drivers
6. Labourers	6. Chefs/Cooks
7. Accounting & Finance Staff	7. Restaurants/ Hotel Staff
8. Chefs/Cooks	8. Accounting & Finance Staff
9. Machinists	9. Cleaner/Domestic Staff
10. Supervisors	<b>10. Management/Executives</b>

Success in this challenging environment is therefore not a given; precious resources in terms of time, energy and money need to be focused where they're going to make the most impact. Research suggests that as much as 80% of a company's worth is tied to the value of the workforce – focusing on the capability of people to meet these challenges would seem to be the place to start.

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### 3. The UK Situation

So how well-equipped is Wales (and the UK as a whole) to face these economic, social and commercial challenges?

Not very, would seem to be the unanimous verdict. Survey after survey, research document after research document indicate that we are lagging quite a way behind many of our key competitors.

Here's a selection of what they're telling us:

"...whilst the UK's employment rate is the fourth highest in Europe, its overall productivity levels are still 21% behind the US and is 8% lower than mainland Europe."

" It is currently estimated that skills gaps cost £165,000 for a typical <50 employee business every year."

*Critical Skills for Tomorrow, Institute of Directors 2008*

#### It's the skills level that makes the difference

"Productivity is increasingly driven by skills. The ability of firms to succeed in the face of growing international competition depends increasingly on the skilled labour force they can draw from. Skilled workers are better able to adapt to new technologies and market opportunities. Higher level skills drive innovation, facilitate investment and improve leadership and management. For innovation to be effectively implemented, businesses must be able to draw on a flexible and skilled workforce."

*Prosperity for all in the global economy – world class skills, Leitch, 2006*

The 'higher level' skills referred to generally means people with higher levels of education, yet a recent McKinsey survey tells us that whilst the research reveals

".....a strong link between better education levels in a company's workforce and improved management performance, ... UK companies are near the bottom of the table in terms of the education of both their management and their workforce."

Similarly,

"One of the most powerful levers for improving productivity will be higher level skills. Postgraduate, or Level 5 skills, such as MBAs and PhDs, can provide significant returns to organisations, individuals and to the economy as a whole. These higher level skills are key drivers of innovation, entrepreneurship, management, leadership and research and development. All these are critical to a high skills, high performance economy and increasingly in demand from high performance, global employers."

*Prosperity for all in the global economy – world class skills, Leitch, 2006*

And,

"...firms with a qualified management workforce and dedicated programme of management development pursue more sophisticated and higher quality market strategies and achieve greater profits..."

Institute for Employment Studies 2004

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But the UK is only 11th in the international qualification league, outshone by the Slovak Republic, Korea and Austria as well as the more obvious countries such as USA and Germany (*Critical Skills for Tomorrow*, Institute of Directors, 2008).

**And it's especially the skills of the leader-managers that make the difference.**

Research also tells us that it is the quality of the leadership and management in an enterprise that has the most profound effect on performance.

"Our productivity as a nation is already lagging behind our competitors in North America and Europe. By tackling our management and leadership deficit with real vigour, we will unlock the doors to greater productivity, maximise the benefits of innovation, (and) gain advantage from technological change..."

University of Exeter, 2004

Estimates put 10-15% of our productivity gap UK vs. US down to management perhaps unsurprising since 41% of UK managers are at level 2 or below<sup>2</sup>.

Yet, despite the evidence, we're still not making enough investment in our leaders and managers in particular. The picture is especially bad in firms that are family run where it's sometimes the case that those in leadership and management positions aren't necessarily there on merit (McKinsey, *Management Matters*, 2007). The UK spends less per manager than any other country in Europe.

"Evidence shows that the quality of management is often perceived to be lower in the UK than other countries. Annual expenditure on developing managers in the UK is one-third (37%) of that in Germany and two-thirds (61%) that of France. More generally, evidence suggests that a third of UK firms provide little or no training to staff and less than a quarter of firms seek external advice."

*Unlocking the UK's Talent*, BERR, 2008

**.....but we're still not investing in MLD in the UK, nor are we planning for MLD as a separate budget item and strategic imperative.**

UK investment in MLD is c. £1120 per person per annum, lower than most countries in Europe

This data comes from the 2005 Chartered Management Institute report, *Management Development Works: The Evidence*, which revealed that of those surveyed

- 40% have a statement covering MLD policy
- 45% allocate a budget for MLD
- 73% conduct regular reviews of their MLD activities

**The picture in the UK at the moment therefore isn't great. So what do we need to do to ensure our future success?**

Lord Leitch tells us that we will need a workforce educated to at least Level 2 by 2020 and we will need managers and leaders to unlock the potential of that workforce.

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<sup>2</sup> This refers to the National Qualifications Framework with Level 2 the equivalent of GCSE Grades A\* - C and Level 1 is GCSE Grades D-G.

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Clearly we will need to focus more on learning and development. Around one quarter (27%) of skills gaps are felt by employers to be due to a lack of training and development (National Employer Skills Survey 2004).

**Added to this is the imperative to up the skill levels of managers and leaders.**

"Mediocre management goes hand in hand with mediocre corporate results.....whatever an organisation's objective, managers influence a company's future by defining standards and by managing people, assets and capabilities.

*Measuring the Impact, Public Service Management Wales*

"The truth is that no one factor makes a company admirable. But if you were forced to pick the one that makes the most difference, you'd pick leadership."

Warren Bennis, 1998

**Whose responsibility is it to address some of these issues?**

It's been estimated that c.70% of the workforce we'll have in 2020 is already in work. They have therefore finished their formal education and are unlikely to receive further up-skilling via FE colleges or universities and the like.

That puts the focus squarely with employers who will need to play their part in ensuring that employees are equipped to do their current jobs at high levels of productivity and quality as well as ensuring they can meet the demands of the future.

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#### 4. WHO should we be developing to meet these challenges?

We know that companies who are able to unlock the potential in their people which leads to higher performance are successful. The LM is absolutely fundamental to this. We can identify two types of LM however, both crucial:

**First** is the owner-manager of a typical SME or a director of a 'top' management team. These people are responsible for making decisions which fundamentally shape the business – what the business is, how customers and staff are treated, what values are important. They make policy and strategy decisions which shape what everyone else does.

**Second** is the front-line manager, the person responsible for implementing the strategies and policies decided upon by the 'top team'. This person is usually the face of the business to most workers and shapes people's perceptions of 'the way things are done around here'. This is the person people will refer to as their 'boss' who shapes most of their opinions about work and how they are individually valued.

Ultimately the goal is to create an effective, high-performing organisation using an appropriate blend of policies and procedures which intermingle uniquely in each organisation. Some of the key characteristics of such organisations have been defined by ACAS as:

- A vision , mission and strategy that are known and understood
- An open, communicative management style with arrangements that allow employees a 'meaningful/genuine' voice through which their views are sought and considered
- A culture that encourages learning and continuous improvement and promotes the updating/ acquisition of skills and knowledge at every level
- A work organisation that promotes initiative and encourages team working
- Policies/practices/procedures that promote equal opportunities.....along with a working environment free of discrimination, bullying and harassment
- A transparent pay and reward system that recognises employees' contribution, treats employees fairly and is non-discriminatory

Clearly, owner-managers, directors and front-line managers are together responsible for the above – for setting direction and for implementation. These key people create sources of competitive advantage which are hard to copy – culture, skill and competence, motivation and social interaction – these are the key staff to focus MLD on as a priority.

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## The Owner-Manager/Director

"Some of the management cultures that exist in our organisations are a considerable obstacle to making the case for developing managers."

*Developing Managers for Business Performance, CIPD, 2002*

"Commitment to perform is based on working for terrific leadership, getting meaningful development, and having empowering jobs where you can make a difference."

*The Business Case for Learning, R. Bailey*

### What then are some of the areas that make owner-manager/directors so crucial?

- **The 'Big Idea'**

A clear mission for the business underpinned by clear values and a complementary culture – all expressing what the company stands for. The person responsible for this 'Big Idea' is the owner/manager or the managing director of the business. We know that where there is a strong sense of purpose and focus, performance is better.

...."those organisations with the Big Idea that were values-led and managed were much more able to sustain their performance over the long term."

*Understanding the People and Performance Link – Unlocking the Black Box, CIPD, 2007*

The leader provides the destination, which is seen at every level in the business, connects people to the company purpose. Thus the leader enables the people to have a purpose to their work, where they feel valued, appreciated and part of something bigger than their jobs, which is the key to unlocking performance.

- **Policies and procedures**

For people to perform better they must have ability, motivation and the opportunity to use their skills. Again, the owner-manager or managing director is responsible for ensuring that all the policies and procedures are in place to

- recruit and develop *ability*
- *motivate* people to unlock enthusiasm and effort
- create *opportunities* to deploy skills

*Ability* – this means the organisation's ability to meet its business goals and therefore effects recruitment, selection, learning and development. The company must provide opportunities for many different forms of learning.

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*Motivation* – high performing companies are able to unlock effort and enthusiasm that results in staff 'going the extra mile'. Information sharing and high degrees of communication are key to developing staff motivation – similarly team working, pay satisfaction, job security and challenge and work-life balance.

*Opportunity* – it is very demoralising to have valuable skills and expertise which the organisation either doesn't value or doesn't use. For example, successful leaders mandate an appraisal system which makes clear what each individual can offer and puts in place opportunities for those skills to be used to satisfy current and future needs.

- **Increased Return on Investment**

If the owner-manager/director has invested in their own development and has seen how this has impacted the bottom line, they are far more likely to invest in the L&D of others in the company. Investing at the top will lead to increased investment elsewhere in the company, leading to increases in performance all round.

- **Owner managers/directors need management and leadership skills to grow the business**

The amount of management experience in a business is a key factor in a firm's ability to grow and adapt successfully. We hear from Cranfield School of Management that "Although there are a variety of factors that limit firm growth, one of the most important is the managerial capacity problem....a firm's growth is limited by the speed at which it can expand its managerial capacity...so in order to be able to manage the problems of growth, individuals must possess the ability to reinvent and redefine their roles. For a firm to grow it must find new markets, develop new products or pursue new business opportunities, while at the same time hire new employees and oversee its existing operation."

These demands on SMEs as they grow create 'tipping points' - points of specific pressure - where the business needs new skills in order to cope – these are in the areas of obtaining finance, making operational improvements, formalising systems, strategic planning and people management. Coupled with all these demands for new knowledge and skills, the attitude of the owner-manager/ managing director is critical – there will need to be a willingness to learn and to change, maybe the use of external experts and openness to new networks. These are some of the areas which often need development as the business grows.

"...less skilled managers are more likely to avoid change than more skilled managers and, where change cannot be avoided, they adopt lower risk strategies that give more tightly defined returns. The lower risk strategies appear to be efficiency-increasing/cost-reducing, rather than quality increasing. Avoiding change reduces the likelihood of observing management skill deficiencies, which only become apparent when change becomes inevitable."

*Management Skills, Strategy and Performance, Derek L Bosworth*

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## The Front-Line Manager/Supervisor

We know that there are many people out there who treat their work as 'just a job, hating Mondays and living for Fridays'. A Gallup Organisation study finds that almost 75% of employees fit this profile costing UK business about \$300billion per year. (Source 'Destination Profit'). Very often it is the line manager who has the most impact, positive or negative on this kind of attitude. This really is the second key role in a business. The behaviours and attitudes of these managers are a critical factor in determining the success of the team(s) they manage.

" the manager who... has the leadership skills in communicating and dealing with problems, is likely to encourage employees to reciprocate with behaviour that is similarly "beyond contract"

*Understanding the People and Performance Link – Unlocking the Black Box, CIPD, 2007*

The front-line manager's role determines to a great extent levels of job satisfaction and commitment to the team and the organisation. Research shows that aspects of working life such as amount of influence over your job, career opportunities, amount of challenge in your job, involvement in management decisions, level of trust in, and respect for, the line manager all impact employee performance significantly. The line manager's role here is critical in terms of unlocking individual and team performance and, ultimately, organisational performance.

Proudfoot Consulting's *Productivity 2006* report tells us that workers typically waste 36 days a year – that's £2.8billion in Wales alone. These are days lost through ineffective planning and management of staff. Specifically the focus is on the front-line manager and the following six barriers to organisational effectiveness:

Inadequate supervision	38%
Insufficient planning and control	28%
Poor working morale	17%
Inappropriately qualified workforce	7%
Ineffective communication	6%
IT related problems	4%

These then are the people we need to be focusing on first; those who are involved in defining what the entire work environment is for and how it operates and those responsible for the 'on-the ground' implementation of all the strategic plans, policies and procedures of the 'top team'. Once these people have the MLD they need, the rest will follow.

## 5. WHEN are the important times for leader-managers to learn?

We've already mentioned 'tipping points' which occur as businesses grow – these are the times when the business has to do something which might necessitate the learning of new skills and knowledge or the bringing of an expert to help – examples would be obtaining finance or streamlining operations.

Other people have looked at the different stages of growth SMEs go through as they grow. There are a variety of views on this topic but it's perhaps useful to look at the following to see if it resonates – there are likely to be learning requirements immediately before, during and after the business moves through each stage.

Diversification	More complex organisational structure Decreased centralisation Much increased specialised functions Revenue growth slowing Employment growth increased
↑	<i>Critical learning point</i>
Maturity	Often twice as big, if not that much older Less centralised, more functions, specialisation Sales revenue growth slowing Employment growing continuing
↑	<i>Critical learning point</i>
Expansion	Focus on product commercialisation Slightly formalised version of start-up Some specialisation Significant sales revenue growth Employment growth gathering pace Growth primarily fuelled by product/service success
↑	<i>Critical learning point</i>
Start up	Product development focus Small and centralised with little specialisation Sales revenue growth high Employment growth low
Adapted from <i>Tightening the life-cycle construct: a taxonomic study of growth stage configurations in high-technology organisations in Entrepreneurship Theory and Practice</i> , Vol 18, no 2, pp 5 –29.	

So looking at learning requirements from an organisation-wide perspective will, in all likelihood throw up learning needs for a number of people. Looking at learning needs from an individual perspective, they are likely to occur when somebody

1. ... is planning to move into management
2. ... is new to management role
3. ...wants to remain in their current roles but perhaps want to use some management techniques to improve their performance

## 6. WHAT do leader-managers need to learn?

Our LMs need a variety of skills which will include those that some people will call 'management' and those that some people will call 'leadership'. They are distinct skill-sets but most roles require different balances of both. The following survey asked European HR Managers:

Which areas of leadership are you most lacking in at present?

Results showed the following:

AREA OF LEADERSHIP	% of total
<b>People Skills</b> Social skills; communication; motivation; people development; influencing; team orientation; partner-building; mentoring; coaching; etc	38
<b>Business Awareness</b> Process thinking; decision-making; taking the initiative; change management; strategic thinking; goal-setting; etc	28.2
<b>Style and Example Setting</b> Code of conduct; living up to standards; transparency; assertiveness; alignment; managers as role models; commitment; giving time to people; etc	22.5
<b>Human Resource Management</b> Succession planning; information policy; conducting performance appraisals; understanding legal requirements; knowledge of employment law; etc	9.9
<i>An International Comparison of Management Development, in Skills and Economic Performance, SSSA, 2006</i>	

Whilst the question asks about leadership, the skills listed also include some which we would normally call management. As a general rule of thumb, we can describe leadership functions as being about establishing direction, aligning people to the vision, motivating and inspiring people and producing change. Likewise, we can think of management functions as being about planning and budgeting, organising and staffing, controlling and problem solving, producing consistency and order.

That said, LMs need a set of skills that sit with, on top of, other skills which are the core business, some say the core competence of the enterprise e.g. engineering or accountancy skills. Consequently this critical skill-set is often overlooked both inside the enterprise and in the curricula of so-called management qualification such as MBAs, which very often concentrate on business rather than management.

Of course each business is unique and each business context for the individual LM is unique. Added to this the specific characteristics of the sector that the business operates in. This will entail specific knowledge of the business model, industry partners, the customer base, market conditions, the supply chain and sector-specific considerations. Not forgetting the requirement to deliver the current business model as well as planning for the future, what is known of it.

Certainly, there will be sector-specific learning requirements for each LM, tailored according to their role in the company and their own learning preferences. The relevant Sector Skills Council will be able

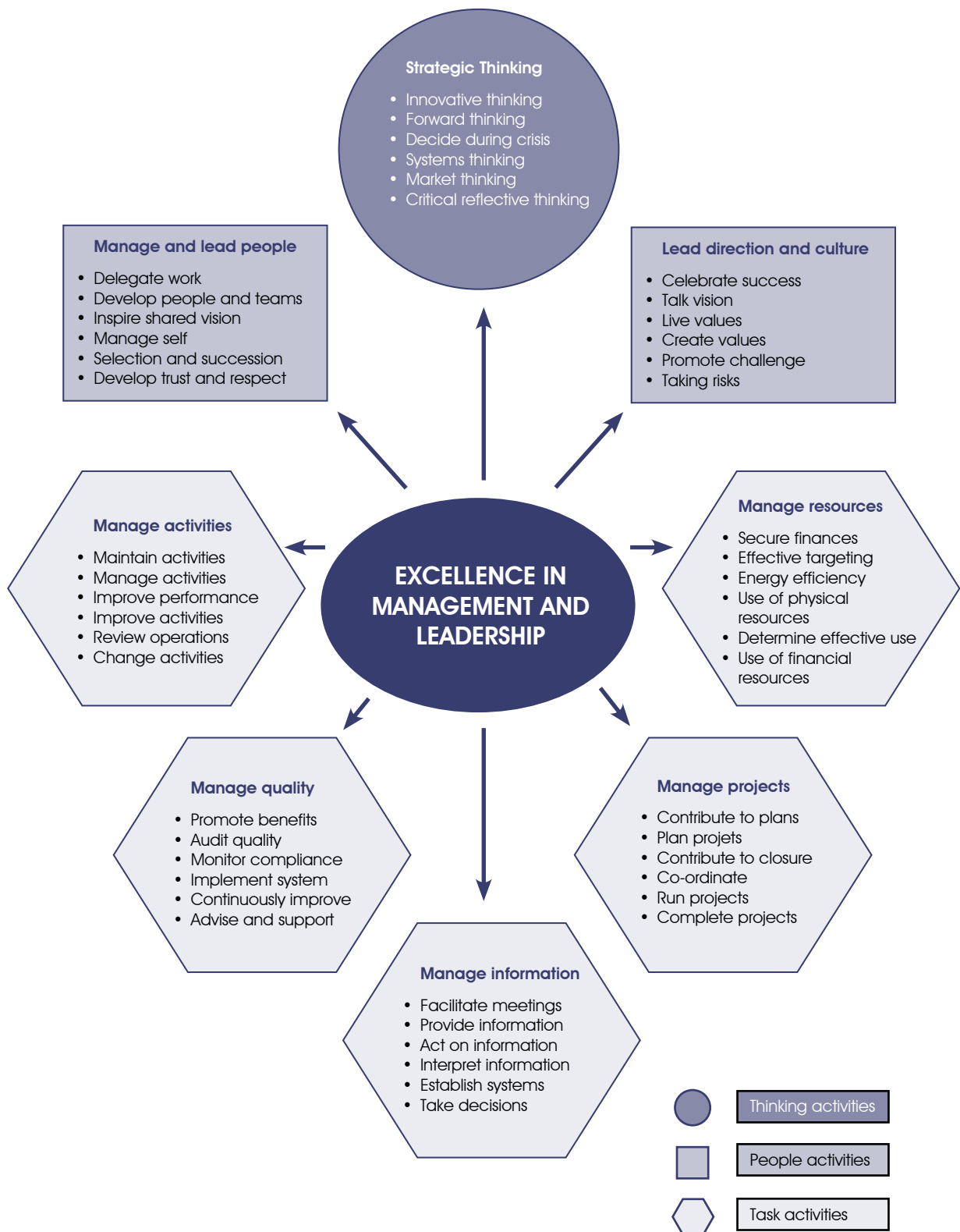
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to help with these specific requirements and there is contact list provided of all the SSCs in Wales in Appendix 2. Nevertheless there are some generic skills that LMs seem to need. In general LMs, as the link between people and performance, need to be able to:

- unlock discretionary behaviour – so that staff want to do ‘the extra mile’
- provide opportunities for career advancement
- provide challenging work
- give staff some say over how the job is done
- provide opportunities for training
- give people a say in decisions which affect their job
- provide opportunities for team-working
- be able to work IN the team as well
- solve problems
- deal with organisational politics
- create and support a positive working culture
- make decisions confidently
- be supportive of work-life balance
- be good at leading the team
- be open and empathetic to matters of concern
- be close to the business
- influence as appropriate
- manage people; be sincerely empathetic, superb listening and coaching skills; ‘emotionally intelligent’
- look after the customer
- give feedback and conduct appraisals
- motivate people
- facilitate innovative thinking
- spot and mentor ‘talent’ – facilitate succession planning
- manage conflict, change and risk
- be aware of own impact
- manage resources especially handling learning/skills requirements
- be an exemplar of ethical behaviour
- show how to ‘walk the talk’ – to be the kind of manager people respect and trust.
- be able to balance ‘fixing’ and ‘building’, the current business and the future business
- demonstrate commitment to the enterprise; show real passion for the ‘big idea’
- bring out the best in the team – provide a healthy pressure to perform, tapping the potential of everyone but enabling them to be who they are and do what they do best
- manage and be supportive of diversity policies
- manage cross cultures and time zones

And there will be many more! In Part 2 you will find information about the Management Standards Centre which provides resources to help you define which management and leadership skills are relevant for the roles in your business. The diagram opposite also gives some guidance as to relevant areas for development.

The Council for Excellence in Management and Leadership provided an excellent summary of management and leadership abilities which can form the basis of an analysis of what an individual LM may need or can be used at the organisation level.



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## 7. What's the evidence that leadership and management development works?

Firms typically invest c.2% of payroll in direct training costs rising to c.10% if indirect and opportunity costs are included. Added to this, costs of investments in informal training are likely to be at least as large as investments made in formal programmes. So business managers DO invest in training but ASTD<sup>3</sup> data suggests that the current levels are less than they would be if firms had more information about the effects of training on their bottom-line performance.”

Adapted from *How Much do Firms invest in Training Today?*

So more skills and more sophisticated skills in the area of leadership and management are essential but how do we go about obtaining these new and enhanced capabilities? Where do we go and what kinds of activities will help us to develop the skills we need? And how do we know that the time, money and effort we've invested will be worth it?

Let's start with this last point.

Every business is unique. There is no one magic formula which says if you invest x% you'll get y% out. If only it were that easy! Yet there is plenty of evidence correlating development input to productivity output. From the many specific cases there are we can find a general message and a persistent theme – it really is worth the effort and the investment.

Let's have a look at some evidence. Or to be more specific, let's look at some 'hard' evidence, quantified as bottom line £ rather than the anecdotes we're more familiar with.

“Better management is an easy way to improve financial performance. ....a single point improvement in management practice is associated with the same increase in output as a 20% increase in the labour force or a 42% increase in invested capital.”

*Management Matters, 2007, McKinsey & Company*

In other words investing in developing the skills and capability of managers and leaders gives a higher return per £ than increasing the number of employees or the amount of capital.

“An average investment of £700 per employee per year yields:

29% improvement in employee retention

11% improvement in shareholder return

24% higher gross profit margin”

Louis Harris and Associates poll

Dearden et al (2000) found that “ a 1% increase in the training rate would add approximately £8 billion to national output.....this is equivalent to £200 per worker and £2 billion on the bottom line of UK companies.”

*The Value of Management Qualifications, CMI, 2007*

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<sup>3</sup>ASTD – American Society of Training and Development

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"Firms that invest \$1500 per employee in training compared with those that spend \$125 experience an average of 24% higher gross profit margins and 218% higher revenue per employee."

Laurie J Bassi, American Society for Training & Development (ASTD) 2000

"Research by the American Society for Training and Development (2000) found that there is a powerful correlation between training expenditures per employee and firm's customer retention rates. This can have a significant effect on firm performance. One study found that a 1% reduction in customer attrition can add as much as 5% to a company's bottom line (Peppers and Rogers, 1993),"

Quoted in Ch 2.1 *Skills and Economic Performance*, SSDA 2006

"ASTD found that an increase of \$680 in a firm's training expenditure per employee generates, on average, a 6% improvement in TSR (total shareholder return) the following year. When ranked according to how much they spend on training,.....firms in the top half had a TSR that was 86% higher than firms in the bottom half and 45% higher than the market average."

*Profiting from Learning – Do investments in learning and development pay off?* ASTD

If we turn our focus now to leadership and management development in particular, a similar picture of hard evidence appears.

"Only 27% of respondents from underperforming organisations say leadership is being actively developed at all levels within their organisation, in contrast to 47% from organisations that are meeting targets and 55% from organisations that are outperforming expectations."

The Management Agenda 2007, Roffey Park

Between 2004 and 2006 Lancaster University ran a leadership and management programme for 67 local SMEs. Evaluation of the programme reports that 90% have seen an increase in sales, turnover, productivity and profits. On average, participants increased their turnover by £200,000 and also reported expansion, relocation, diversification and acquisition activities.

*Evaluation of the LEAD Programme*, Lancaster University Management School

What, if any, tangible benefits have your company experienced as a result of management development activities?

More effective management/improved staff performance: 61%

Improved business performance/growth/profitability: 50%

Improved staff morale: 26%

Management & Leadership Network, Northern Island survey

"According to the Institute for Strategic Change, the "stock-price of 'well-led' companies grew by 900% over 10 years, compared with 74% for poorly led companies".

In research with Harvard Business School, executive search consultants Odgers, Ray & Berndtson found that the quality of leadership accounts for some 15-20% of the total variance in companies' performance.

Ineffective leadership was found to be the cause for the removal of CEOs in 73% of cases, exceeded only by financial or ethical malpractice and mental or physical incapacity."

From Leadership Trust website

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In summary then, learning and development activities, when deployed appropriately and especially when focused on leadership and management capability can deliver a whole host of benefits which can be quantified.

These include:

- Increased productivity and quality of work – workforce working effectively with minimal supervision
- Increase in profits
- Reduced staff turnover and absenteeism
- Improved customer retention and satisfaction
- Improved staff morale and motivation
- Gains in confidence
- Improved ability to build and manage relationships - customers, suppliers and colleagues
- Acquisition of new skills and know-how
- Improved competitiveness
- Savings in supervisory and administrative time and costs
- More creative approaches to business problems
- Capacity to develop new products and services
- Improved understanding of new processes, methods and standards
- Understanding how to apply proven management models and frameworks to formulate strategy and to make better business decisions
- Managing change confidently
- Increased energy and enthusiasm for the job!

Specifically, investment in activities focused on:

- Leadership
- Staff motivation
- Training and development
- Performance improvement
- Pay and reward structures

...are likely to have the most impact on:

- Long term organisational prosperity
- Level of employee commitment
- Employer brand/reputation<sup>4</sup>

We will now turn our attention to what good practice looks like in the world of management and leadership development.

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<sup>4</sup>Adapted from *Measures of workforce capability for future performance*, CMI 2006

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## 8. What does good practice in MLD look like?

We start with a look at learning and development activities in general and a consideration of the conditions necessary to ensure that investment in these activities is well made and achieves the results intended.

### What are learning and development activities?

Before choosing a L&D method, we need to be mindful of the learner's preferences and of the fact that 80% of learning actually happens in unstructured or social settings. But if we are going to invest, there's certainly a wide range of options to choose from!

Let's first define what we mean by learning and development activities. These consist of a wide variety of activities all of which have the outcome (whether planned or unplanned, direct or indirect) of an increase in skill or knowledge which benefits the individual, the team and/or the organisation.

Examples include:

Formal qualifications – vocational and/or generic
Job shadowing
'Acting up' for a period of time to a more senior post
Internal, bespoke courses
On-the-job training
Formal training courses , short or long
Reading articles, magazines, books
Masterclasses/seminars
Networks
Special projects
External placements
Job rotation
Positive analysis of 'mistakes'
Coaching and mentoring
E-learning/web research/CDs/tapes
Secondments/job rotation/special projects
Consultancy support
Planned use of delegation

And even conversations at the coffee machine or water cooler can develop understanding, unlock creativity, inspire new ideas, and build relationships. So should we create more space to allow that to happen? Many companies have found this highly effective.

### What motivates employees to give the effort to L&D?

Why would anyone want to take time out of the office or off-the-job to take part in some L&D? Here are some of the benefits identified which the line manager must emphasise:

- 
- Enhanced professional credibility and reputation
  - Increased job security
  - Improved promotion prospects
  - Greater employment mobility
  - Ability to spot and create new opportunities
  - Increased earnings potential
  - Greater control over career and future
  - Improved ability to anticipate and manage change
  - Increased productivity, effectiveness and motivation<sup>5</sup>

### **What really helps the SME owner-manager?**

For a busy, sometimes isolated SME owner-manager, often involved in the day-to-day of delivering to customers, there are often fewer opportunities to observe leadership in action – which is how most of us learn most things. Leadership and management development for owner-managers should therefore contain lots of opportunity to learn from other delegates, to experience coaching and mentoring, to have opportunities for reflection so often impossible in daily life. As a checklist then, leadership and management development for SME owners should contain the following:

- Interactive workshops to hear from each other and to discuss
- Action learning sets
- Psychometric profiling to develop self-awareness
- Masterclasses providing leading-edge input
- Skills development – especially delegation, hard to step back
- Strategic thinking – seeing the bigger picture rather than doing the detail
- A strategic project so that learning can be put immediately into practice
- 1-2-1 coaching for personal support and guidance
- Follow-up activities to continue learning
- Networks to keep combating isolation, within own supply chain and without
- Plenty of opportunities to reflect away from the day-to-day hurly burly

### **What else should successful MLD be like?**

Josh Bersin in *Leadership Development* in 2008 tells us that the six key characteristics of MLD are:

1. Strong Executive engagement
2. Tailored leadership competencies
3. Alignment with business strategy
4. Target all levels of leadership
5. Apply a comprehensive and ongoing approach
6. Integrate with talent management

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<sup>5</sup>From *It's time to see the light about CPD*, The Chartered Institute of Purchasing and Supply brochure

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In other words, there's no point in investing in formal MLD unless there is complete support from the relevant management level, and the 'top team'. Those going on the programme need to have the opportunity, together with their line manager, of sitting down to identify specific goals for the programme, tailored to their individual needs and focused on how meeting those needs will result in meeting organisational goals. There needs to be appropriate follow-up and planned opportunities for the new learning to be implemented. We'll return to these points in Part 2.

### **Experience counts not a list of abilities**

Attendance on a formal MLD programme should be focused on achieving results rather than ticking off on a list of competencies. For example, we should use experience to develop competence rather than simply pay lip service to competencies. To do this we need to:

1. Identify strategically relevant leadership challenges
2. Use these challenges to identify critical developmental experiences
3. Identify people who can make the most of the experiences offered
4. Find ways to get people into the experiences they need
5. Help people learn from their experiences<sup>6</sup>

To develop LMs, we need to ensure that talented people get the holistic experience they need, actually DOING real-life things, not just the formal L&D activities. Line managers need to be supportive as these people potentially move around the organisation thus causing some inevitable disruption.

### **In summary, what conditions are necessary to ensure a successful outcome for MLD activities?**

Successful MLD which achieves some of the benefits described earlier, is typically:

1. Part of a company-wide strategy looking internally and externally
2. Learning is linked to business goals and performance
3. Focused on setting tangible objectives for managers
4. Provides opportunities for the newly acquired learning to be transferred to the job
5. Part of a company policy, which sets out who is responsible for planning, implementing and evaluating learning and development activities

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<sup>6</sup>From *Getting Leadership Development Right: Helping your people to learn from experience*, M McCall, G Hollenbeck

## 9. Case Studies from Wales

But don't just take our word for it (and the word of all those we've quoted!). Let's look at some inspiring stories and examples from leading Welsh companies all reflecting their commitment to the success of their organisations through investment in their people. Many have committed to the Investors in People<sup>7</sup> framework, some have in-house programmes, others send people on external courses. All have a commitment to a company-wide policy on developing skills for competitive advantage. All are committed to their workforces as people rather than just assets that function for the benefit of the organisation.

Here's a snapshot of what some of them implemented and the benefits they derived.

Company Name	What They Did	Benefits
Anheddau Cyf	Employ older and younger workers	Access to a wide labour pool
Celtic Process Control	Significant investment in training 4 years ago	Staff numbers doubled
Drive Ltd	Increased training team from 4 to 7. Evaluated impact of training	Training integrated with business objectives
FSG Tool and Die	Achieved Investors in People Leadership and Management Model	Equipped to face constant step changes in technology. "Our success in achieving the award demonstrates to our clients and competitors our commitment to high standards, quality, and excellence."
Kelray Building Maintenance Ltd	Achieved Investors in People in 2005	"Between 2005 and 2007, the business grew turnover from £212,000 to £750,000 and the workforce has increased from eight to 13 in the past 12 months. The company's focus on staff training and development has resulted in a loyal, skilled workforce."
Lawson Construction	Conduct appraisals twice a year	Low staff turnover "a professional and efficient workforce that delivers a quality service to our customers and helps us win new contracts. Training is also good for staff morale because it shows that we value them. "
Ross Hughes Flooring	In-house training programme incl. Modern Apprenticeships.	Workforce doubled, 30% growth in turnover in past 18 months.

<sup>7</sup> For information on Investor in People, go to [www.investorsinpeople.co.uk](http://www.investorsinpeople.co.uk)

Total Human Solutions	Achieved accreditation to the Investors in People Leadership and Management model and Recruitment and Selection model.	"In 2006 and 2007, we set targets of 30% growth in terms of new business – both years we achieved double this figure (60%) and this is undoubtedly as a result of our investment in staff training. The payback is enormous."
The Quay Hotel and Spa	Delivers a wide range of staff training opportunities	"As a completely new venture, the hotel had a high turnover of staff in the first six months but now has a stable and well-motivated workforce."

And here are some more details of three of the above:<sup>8</sup>

**Celtic Process Control, Newport**

Description: **Process control engineers and contractors**  
 Employees: **65**  
 Sector: **Engineering**

Celtic Process Control was established in Newport in the 1970s but has grown significantly in the past eight years.

The company reached a point where it realized that it had skills and experience better than many of its competitors, and that it should be attracting premium clientele and staff. Once set in that direction it reinvested profits in training and the business has grown significantly because of this.

Celtic Process Control works in mechanical, electrical and instrumentation process control engineering. Most of its business is within Wales but it also has contracts in England and Scotland.

Its main specialism is in the water and waste water industries, but it also works with the petrochemical and paper industries.

- Since investment in training began four years ago, staff numbers have doubled and now exceed 65.
- The company has its own dedicated training facilities at its Newport headquarters.
- Celtic Process Control achieved Investors in People status in 2005 and is now working towards Leadership and Management status.
- Each member of staff has an individual development plan linked to company goals.

**"We view our IIP development as the foundation block on which we are able to manage significant change within our company."**

<sup>8</sup>With thanks to the Department for Children, Education, Lifelong Learning and Skill for permission to use these extracts from their IIP Case Studies booklet.

### **FSG Tool & Die, Llantrisant**

Description: **Design, Manufacturer and Toolmaker**

Employees: **84+**

Sector: **Manufacturing**

Founded in 1961, FSG is a market leader in the design and manufacture of precision tool making and engineering. The firm specialises in the automotive markets, metal and plastic packaging, hot forging and press tools, and utilises the latest in 3D CAD/CAM facilities and automated manufacturing processes. FSG has an international customer base that includes clients from Ghana, Kuwait and Brazil.

In 2007 the company took part in quality and process audits implementing significant changes throughout the organisation, and achieved the prestigious Investors in People (IIP) Leadership and Management Model.

- Thriving design, manufacturer and tool making business.
- FSG has been running a successful apprenticeship scheme for over 45 years. Its apprentices have won prestigious accolades including the Gauge and Toolmakers (GTMA) Award, Engineering Employers Federation Awards, as well as the National Training Award in 2006. Apprentices are trained in all aspects of machining and have also achieved City & Guilds as well as a wide-range of other qualifications. The company currently employs 12 apprentices.
- Over the last year the firm has expanded moving into a new 53,000 square foot factory.
- FSG employs highly skilled staff and places an emphasis on quality, service, and innovation, which has given it a competitive edge in global markets.

**"Training and investment in learning is paramount to the success and wellbeing of any business."**

### **Ross Hughes Flooring, Caernarfon**

Description: **Suppliers and installers of carpets and a wide range of flooring to residential and commercial customers nationwide**

Employees: **41**

Sector: **Service**

Originally established in 1997 by business partners Billy Ross and Alwyn Hughes, the successful company has grown from six employees to a workforce of 41.

Ranked in Wales' top 100 companies, Ross Hughes Flooring has doubled its workforce in the past 18 months, with turnover increasing by 30 per cent. Major customers include councils, health authorities and the Ministry of Defence. From the outset the company set itself the highest standards of workmanship and customer service, which has paid rich dividends.

An in-house training programme has been extended to include Modern Apprenticeships delivered in partnership with Yale College, Wrexham. The company achieved Investor in People recognition in 2002 and remains totally committed to training and developing a first class workforce, which is rewarded for its productivity through a profit sharing scheme.

- Successful family business that has seen its workforce double and turnover grow by 30 per cent in the past 18 months.
- Achieving the Investors in People standard in 2002 improved internal communication and staff rewards.
- The company sets the highest possible standards of workmanship to retain an advantage over competitors.
- Listed in the top 100 Welsh growth companies in 2007 with further growth plans for the future.

**"Thanks to Investors in People, staff know what the company is trying to achieve and what role they play in it."**

# Part 2 - Practical Suggestions You Can Use In Your Company

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## What are the conditions necessary for success?

In this section we move from making the general case for investment in skills development with particular emphasis on leadership and management, to a more practical consideration of what the busy SME owner-manager/director can do to initiate improvements on the ground. Most important is to ensure that the conditions exist for L&D to prosper, that the right L&D is chosen and that policies and procedures exist that complement the investment.

Performance is at the heart of it all. As Gerard Egan says, 'If the basic purpose of the company is to create wealth, then the primary role of the manager is to add value to this wealth-creating process ... It means dealing with business, organisational, managerial and leadership effectiveness'. Thus, we're looking for the best opportunities to intervene in this system in ways that will improve performance.

What conditions are necessary for success?

As we saw at the end of Part 1, successful L&D which achieves the benefits described earlier, is typically:

1. Part of a company-wide strategy looking internally and externally
2. Learning is linked to business goals and performance
3. Focused on setting tangible objectives for managers
4. Provides opportunities for the newly acquired learning to be transferred to the job
5. Part of a company policy, which sets out who is responsible for planning, implementing and evaluating learning and development activities

How can we approach each of these aspects?

For each critical success factor, listed above, we will make some general comments followed by some 'useful questions' to help stimulate thinking and discussion in this area. This is followed by reference to 'a useful tool' which is there to assist you in taking steps to initiate or review your MLD strategy.

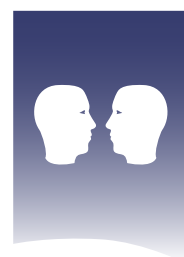
Key to symbols:



Useful questions



Useful tools



Useful follow up

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## 1. Part of a company-wide strategy

“...many organisations are putting their performance at risk because management development itself continues to be a victim of poor management practice, disconnected from the imperatives and the challenges of the enterprise.”

*Developing Managers for Business Performance, CIPD 2002*

### ***'The Learning Organisation'***

This first aspect really addresses the extent to which learning and development is an integral part of the thinking of your company. It is usually evidenced by indicators such as spend on training, types of training invested in, whether learning and development is managed professionally or not and by the attitude of the owner-manager/director to development activities that address generic learning needs as well as those that are product or compliance driven. Attitudes to the 'soff' skills in particular, such as communication, creativity, managing people, team-building, presentation, influencing and the like – essential but hard to pin down – are often good indicators of how the owner-manager/director views L&D.

Companies which have recognised that learning and development (and especially MLD) is a key driver of their success and performance acknowledge the need for a wide spectrum of relevant development activities and recognise the impact this investment has on motivation, morale and the effectiveness particularly of the manager/employee relationship. Such companies are often referred to as 'learning organisations'. Much has been written about creating a 'learning organisation', one where there is commitment from the top to well-planned learning, where communication mechanisms are in place to transfer the learning and where there are learning opportunities for all aligned to business needs. A business with a company-wide strategy on L&D could, justifiably, be called a 'learning organisation'.

### ***Knowledge as a company asset***

These companies also recognise the reality that the more knowledge you have in an organisation, the easier it is to assimilate new knowledge and to keep abreast of changes. This is seen in the willingness of the organisation to access external knowledge in the form of consultant support or in the openness to networking and more informal learning opportunities.

Other ways in which companies show that learning and development is a valued part of the organisation's culture is by providing ready access to knowledge and information, by creating opportunities to practice and develop new skills and by providing support for the learning process.

### ***It's a strategic priority***

We also know from the CMI report 'Management Development that works: The Evidence' that where there is organisational priority given to management and leadership development, there is a strong correlation to employee engagement and organisational performance.



### ***Useful questions to ask yourself about your company strategy***

- What is my attitude to learning and development?
- How much do I typically invest, per employee, per year?
- Do I have the right skills to manage my team?
- How can I make sure my staff feel they're valued and that their potential will be realised?
- How would people describe my company?
- Do my staff say – “why should we?” or “how can we?”
- Do we have a budget for L&D and for MLD specifically in the annual budget?
- Does my business strategy have a skills development strategy within it?
- Which people are involved in determining which L&D activities take place?
- Are there places in the business premises where people can ‘just talk’?
- How often do you find staff are not taking action when they should due to a lack of confidence or certainty?
- What development are we doing that gives us competitive advantage, that is markedly different from our competitors?
- How often do you find yourself answering questions or sorting out problems which others should be dealing with?
- How often are people promoted with prior training/orientation for the new job?
- Is technology a problem because staff don't have the skills to use it?
- How often do ‘clerical errors’ occur?
- How often do people fail to get through their probationary period? Why is this?
- How well do people from different parts of the company understand jobs/roles different to their own? To what extent do they understand how it all fits together?
- How often do you think – why don't they just make a decision?
- When was the last time I invested in my own development or that of my senior management team?<sup>9</sup>

<sup>9</sup>For a personal development plan template have a look at <http://www.businesslink.gov.uk/bdotg/action/pdp?r.li=1076946800&r.l1=1073858787>. You can also take an inventory of your leadership skills at <http://www.inspiredleadership.org.uk>



### A useful tool

A useful way to look holistically at the MLD requirements for your business is to look at the Management and Leadership Standards provided by the Management Standards Centre. Their website can be found at <http://www.management-standards.org>. These standards are a proven benchmark of good practice essential for effective management and leadership. Their website describes the top 10 development priorities and how to use the list for business and organisational planning – L&D requirements form a key part of this. The priorities are as follows:

TOP 10 Management Development Priorities	A sample real business issue	Examples of learning opportunities: do I/we know how to....
1. Business Planning	How do I develop a plan that will guarantee a successful future for my business?	<ul style="list-style-type: none"> <li>o analyse the environment in which my business operates?</li> <li>o develop a strategic plan for the business?</li> <li>o develop and implement operational plans for each area of the business?</li> <li>o put the plan into action?</li> <li>o manage my own time and resources and professional development?</li> </ul>
2. Interpreting and managing information	How do I use sales data to predict trends?	<ul style="list-style-type: none"> <li>o manage a sales project?</li> <li>o manage business processes?</li> <li>o Use and promote technology to achieve business goals?</li> </ul>
3. Financial Management	How do I ensure we have enough cash to grow the business?	<ul style="list-style-type: none"> <li>o manage a budget?</li> <li>o manage appropriate level of finance?</li> <li>o obtain finance for the business?</li> </ul>
4. Sales and Marketing	How can I identify and engage with new customers in the most effective way?	<ul style="list-style-type: none"> <li>o develop and review a marketing plan?</li> <li>o monitor and resolve customer service problem?</li> <li>o work with others to improve customer service?</li> </ul>
5. Winning Business	How can I close the sales opportunity quickly and get a clean contract?	<ul style="list-style-type: none"> <li>o understand our market and our customers?</li> <li>o have sales skills?</li> </ul>
6. General Business Management	How do I get an overview of the health of my business so I can make good decisions?	<ul style="list-style-type: none"> <li>o manage risk?</li> <li>o develop the culture I want in my business?</li> </ul>



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7. Resource Management	How can I ensure I've got the right people with the right skills at the right time and keep them on board?	<ul style="list-style-type: none"><li>o understand what knowledge, skills and time are required by each staff member to fulfil their job purpose?</li><li>o recruit, select and keep staff?</li><li>o plan and monitor the workforce?</li></ul>
8. Market Analysis and marketing	How can I identify the best new business opportunities that will lead to new sales?	<ul style="list-style-type: none"><li>o evaluate how to improve organisational performance?</li><li>o develop networks to expand opportunities?</li></ul>
9. People Management	How can I manage difficult staff and build a high performance team?	<ul style="list-style-type: none"><li>o provide leadership?</li><li>o encourage innovation in the team?</li><li>o lead, plan and implement change?</li><li>o develop productive relationships with colleagues?</li><li>o evaluate staff performance?</li></ul>
10. Health and Society	How do I meet my legal obligations to staff and to customers?	<ul style="list-style-type: none"><li>o ensure compliance to legal and regulatory requirements?</li><li>o promote equality of opportunity?</li></ul>

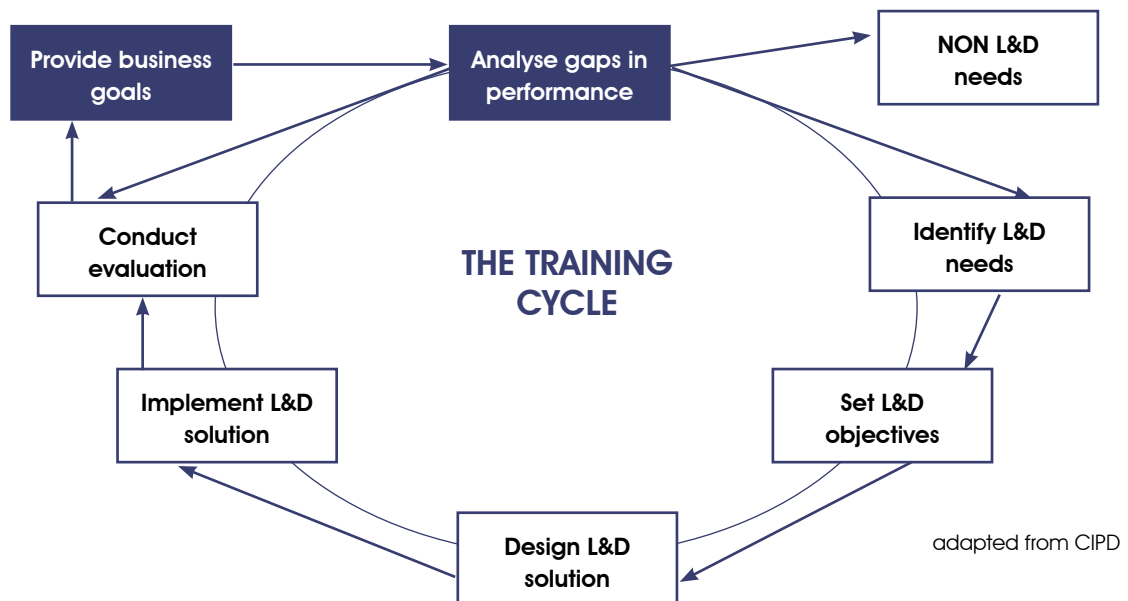
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## 2. Linked to business goals and performance

Investment in learning and development, if it is to assist the organisation meet its business goals and performance targets, **MUST** be made purely with those business goals and performance targets in mind. Have you ever been on a training course where the output was a manual on a shelf and nothing changed? Have you ever achieved a qualification but weren't allowed to put into practice the new skills or approaches you had developed? Were those investments wise investments – probably not.

So we first need to be clear about what our business goals and performance targets actually are – at all levels in the company and for all individuals. We also need to be mindful of 2 scenarios – the current business goals AND building capacity for the future. It's a bit like being ambidextrous – being able to do both at the same time. Companies that can do this will have a competitive advantage. This point also illustrates the fact that not all learning and development activities have an IMMEDIATE effect on the bottom line.

Key to successfully linking business goals, performance and L&D activities are having clear strategies, goals and targets in place to start with and then to understand where they fit into the 'training cycle'. Here is the 'training cycle' adapted from the CIPD.



The cycle shows how business goals interface with L&D. Clearly analysing gaps in performance is entirely dependant on the right data being collected and provided to those who are looking at skills requirements and L&D investments. It's also important to note that not all performance gaps result in a L&D need.



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### **Useful questions to ask yourself**

- How do I currently measure the results of my investment in learning and development?
- How do I get the skills I need for diversification, business development and growth?
- What will happen to the company if key people leave?
- How can I identify and prepare the next generation of managers and leaders?
- Is my workforce adequately prepared to meet the future plans I have for my company?
- Can the company change direction quickly to stay competitive? How ready are people?
- Are my staff driving business towards my company or away from my company?
- Do current L&D activities map to the skills requirements we have defined both for now and for the future?
- How do my staff currently perform against the skills we need?
- Do I involve my line managers in identifying the critically important learning needs?
- What's the relationship between L&D activities (consider each one, including on-the-job, more informal kinds) and bottom line performance?
- Are the business needs well understood by those requesting/commissioning L&D activities?
- Is the relevance to the business made explicitly clear for every part of the L&D activity?
- Are employees developing in line with the emerging needs of the organisation?
- Is learning contributing directly to the achievement of targets?

### **Useful tools**

In 2006, Wales Management Council published a tool for SMEs called *Measuring the Difference*. This was the result of much desk research, focus groups made up of SMEs from Wales and the piloting of the tool with SME owner-managers by Cardiff University Business School. It can be used to help you look at specific areas of the business and how they might be improved. The tool has the following steps:

Step 1 – determining business objectives

Step 2 – identify the management skills that can help address these objectives

Step 3 – decide how you will measure the success of the intervention you put in place to address the skills gap. This looks at:

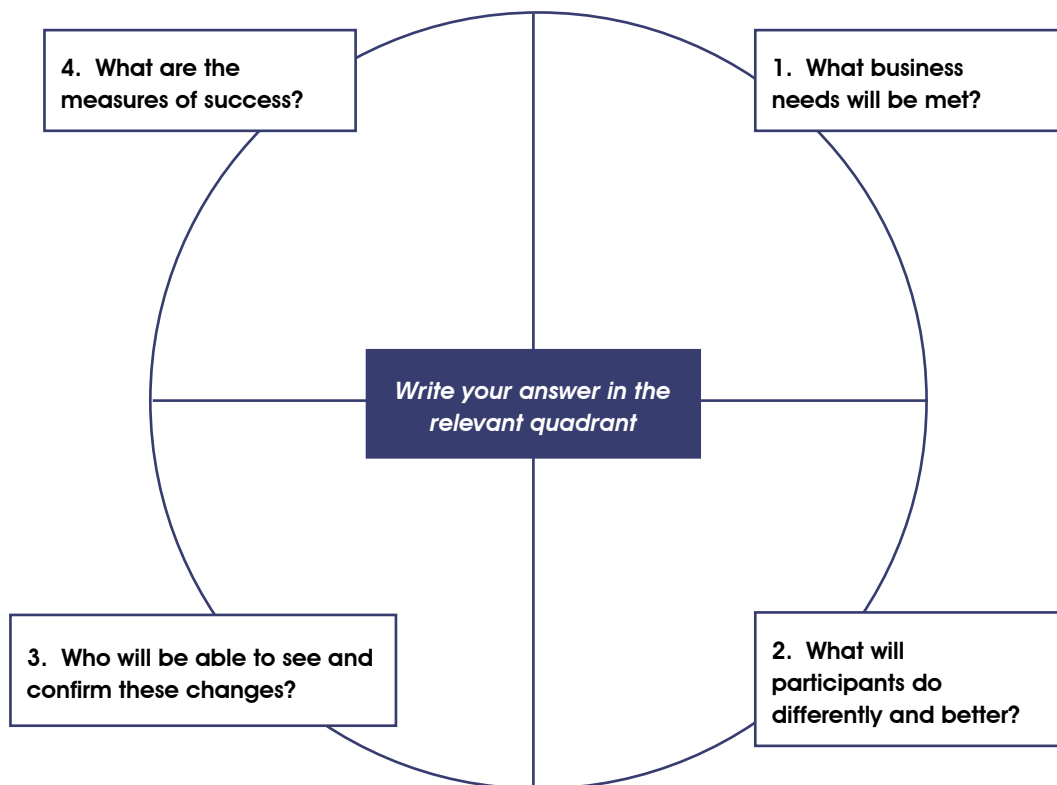
- What have I learnt?
- Individual performance
- Organisational results

The tool can be downloaded from the Wales Management Council website at <http://www.walesmanagementcouncil.org.uk>





You can also use the following<sup>10</sup> to check whether the L&D activity has provided the outcomes you planned for by using the tool below to answer pertinent questions:



<sup>10</sup>Adapted from : *Accelerating the transfer and application of learning*, Fort Hill Company

### 3. Focused on setting tangible objectives for managers

"There are a whole series of...small actions which managers undertake on a daily basis that have a major effect on employees' experience of working life."

From *Understanding the People and Performance Link – Unlocking the Black Box*, CIPD

As we've seen, the line manager is critical to unlocking performance in others. So what's important to the line manager, i.e. things that THEIR line manager needs to take note of when setting performance and learning objectives for them? The following table gives some clues as to what really matters to managers and can be used to start a conversation with managers about what aspects of their job and working life are most important.

#### *What gets the most out of managers?*

Key Drivers	% of total
<b>Reward and Recognition</b> Monetary incentives; commercial pressure; promotion to leadership positions; leadership development opportunities; clear career prospects; bonus system; incentive scheme; security of knowing job is safe; employee share ownership, etc	39.4
<b>Clear Structures</b> Goal-setting; monitoring more complex tasks; performance appraisals; challenging projects; feedback; clear expectations; review of structure and job descriptions; support and back-up; good recruitment process, etc	25
<b>Culture/Ethos</b> Personal growth opportunities; mutual trust; empowerment; taking responsibility to act; good relationship with boss; autonomy and creativity; good relationships between departments, etc	23.1
<b>Training &amp; Development</b> Personal development; seminars; technical qualifications; overseas conferences; talent development; management training courses; regional workshops; commitment of time to training; high-quality conversations; HR support; on-the-job development, etc	7

Source: *Skills and Economic Performance, Ch. 4.2: Management Skills, Strategy and Performance*, Derek Bosworth, SSDA, 2006

The table above shows the areas that are important to managers, as reported by the managers themselves, and can be used as a starting point for conversations with your managers about what's important to them. Interestingly, training and development doesn't score particularly highly on this survey but leadership development opportunities are rated highly. Performance appraisals are in the next most popular group. This implies that managers rate development activities that they wouldn't, at first glance, consider 'training and development'. They might, however be motivated by training and development activities that were explicitly part of their performance appraisal.

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### ***Development is most useful when related to critical business needs***

The most useful kinds of development relate to work-based activities which support critical business needs. We know from CMI research that a job is clearly described and documented and where L&D is directly related to the needs of that job, there is a positive impact on productivity. The impact is even more powerful when there are relevant follow-up activities planned as we shall see later.


### ***Analysing what the manager needs***

Managers and L&D professionals often conduct a TNA or training needs analysis to come up with L&D requirements. This should more accurately be called a 'learning needs analysis' since not all requirements result in training as the solution. For example, sitting down with a supervisor could be what's needed. A performance appraisal will typically include some form of analysis of development needs. It is therefore critical to ensure that all staff have a performance appraisal with their manager at least once a year, with ongoing informal conversations as needs arise.

### ***A learning needs analysis will normally:***

- Analyse your business goals and the skills required to meet those goals
- Determine whether you are changing your products or your business processes
- Evaluate who you want to 'train' and how best to reach them
- Establish how employees will best accept and integrate their learning and their preferred learning method
- Evaluate the training in place and decide what your company can and can't provide in the way of in-house training, funding and time
- Assess which consultants or training providers can fill these gaps
- Help you take a decision on which type of training fits your needs best.<sup>11</sup>

### ***Useful questions to ask yourself***

- 
- Do I know EXACTLY what is expected of each job for superior performance?
  - What skills do we already have in the business?
  - How are managers inducted into the role?
  - What are the priority areas and skills?
  - Am I following a rigorous process for assessing learning needs?
  - Do our L&D activities specify EXACTLY what the L&D activity will enable them to do? E.g. "X will be able to explain" rather than "X will know".

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<sup>11</sup>Adapted from *Critical Skills For Tomorrow*, IoD 2008



### Useful tools

Ensure that the process you use to identify learning needs goes through all the important steps – diagnosis, specification, implementation and evaluation.

The table below can be used as a checklist for the L&D you undertake and is a useful framework covering the main process steps in delivering L&D aligned to tangible objectives.

LEARNING PROCESS	Am I....
DIAGNOSIS	...providing a clear and purposeful description of the management capabilities required to deliver the current or future business model and to sustain or strengthen innovation. Involve line managers in this process.
SPECIFICATION	...designing management learning opportunities which are 'fit for purpose'. Top management must be involved as learning initiatives are part of the business. Relationships with consultants and trainers are collaborative partnerships.
IMPLEMENTATION	...using learning processes that really work – project and action learning work, internal courses, coaching.
EVALUATION	...measuring the difference it has made? Measure organisational as well as individual impact.

Adapted from *Developing Managers for Business Performance*, CIPD, 2002.

Ask yourself WHAT your LMs need to learn.

Here is a useful starter for 10 which show the mix of leadership and management skills which most roles need to a greater or lesser extent.

	LEADERSHIP FUNCTIONS	MANAGEMENT FUNCTIONS
CREATING AN AGENDA	<i>Establishing Direction:</i> Vision of the future; develop strategies for change to achieve goals	<i>Plans and Budgets:</i> Decide action plans and timetables, allocate resources
DEVELOPING PEOPLE	<i>Aligning People:</i> Communicate vision and strategy, influence creation of teams which accept validity of goals	<i>Organising and Staffing:</i> Decide structure and allocate staff, develop policies, procedures and monitoring
EXECUTION	<i>Motivating and Inspiring:</i> Energise people to overcome obstacles, satisfy human needs	<i>Controlling, problem solving:</i> Monitor results against plan and take corrective action
OUTCOMES	Produces positive and sometimes dramatic change	Produces order, consistency and predictability

From *What is Leadership?* University of Exeter, 2004



Ask yourself HOW you and your managers prefer to learn.

Here is a list of the most common learning methods. It is from a survey conducted by the Centre for Creative Leadership and it shows how popular various teaching methods are for hard and soft skills respectively. Use it to ask people what methods they prefer before spending any money or making detailed plans:

Most Desired 'SOFT' Skills	Most Desired 'HARD' Skills
1. Leadership	1. Specific Skills Training
2. Team Building	2. Problem Solving/Decision Making
3. Communication Skills	3. Computer Training
4. Visions	4. Strategic Planning
5. Self-Awareness	5. Presentation Skills
6. Managing Change	6. Management/Business Skills
7. Conflict Management	7. Quality/Process Improvement
8. Creativity	8. Time Management
9. Diversity	9. Hiring/Interviewing
10. Performance Appraisals	10. Training staff
11. Coaching	



It's interesting to note from this second table that even for 'hard' skills, newer learning methods such as computer-based training, don't make it into the top 5. The more traditional methods are the most popular, particularly real-life, on-the-job experience. Ensure that you understand how people prefer to learn before spending money on, in particular, expensive technology driven solutions.

SOFT SKILLS		%	HARD SKILLS		%
1.	On the Job Experience	71	1.	Class room Instruction/Live	75
2.	One-on-One Coaching	64	2.	On the Job Experience	73
3.	Peer Interaction/Feedback	60	3.	Workbooks/Manuals	55
4.	Discussion Groups	55	4.	Books/Reading	51
5.	Class Instruction/Live	54	5.	One-on-One Coaching	42
6.	Assessment & Feedback	53	6.	Computer Based Training	41
7.	Books/Reading	40	7.	Web-based Training	28
8.	Case Studies	25	8.	Discussion Groups	26
9.	Outdoor Experiential Programmes	14	9.	Case Studies	24
10.	Workbooks/Manuals	12	10.	Peer Interaction/Feedback	24
11.	Games/Simulations (Non Computer-Based)	10	11.	Assessment & Feedback	20
12.	Web-based training	10	12.	Computer-Based Games/ Simulations	12
13.	Computer Based Training	9	13.	Satellite/Broadcast TV/Distance Learning Programmes	9
14.	Computer-Based Games/ Simulations	6	14.	Games/Simulations (Non Computer-Based)	5
15.	Satellite/Broadcast TV/Distance Learning Programmes	4			

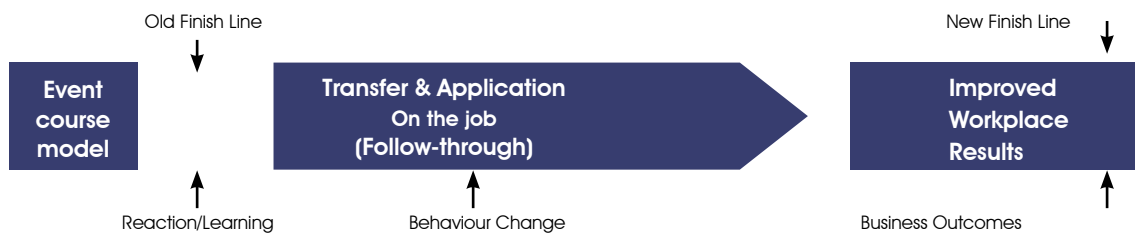
Adapted from *Emerging Leaders Research Project*, Centre for Creative Leadership, 2004

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#### 4. Provides opportunities for the newly acquired learning to be transferred to the job

This is often the critical, acid test for L&D activities and, in particular, those activities we can call training, often held off-site and often not really bespoke to the business. It is the failure to really be able to demonstrate the value of the training investment in terms of its real-life application and the business benefits derived, that gives training its poor image. So much training is like using a blunt instrument rather a sharp precision implement, often because the follow-up activities are not done or planned for with sufficient rigour and detail.

According to ASTD, we need to 'establish a new finish line for learning: improved job results'.



As William Tate tells us in *Leadership Linking Development with Business*,

".....learning appears most likely to be effective in realising changed action in the workplace if it:

- Takes place with colleagues rather than strangers
- Develops collective capability
- Focuses on the organisation and business, not just the individual's skills
- Integrates with action to improve other system variables
- Employs real material rather than abstract/generic examples"

In practice this means providing as appropriate:

- A mentor to help the learner use what's been learned
- Job rotations/projects/delegated tasks which need the new skills
- Follow-up from the line manager
- Constructive feedback, appropriate support and encouragement
- Introductions to others in the same position – a community of learning
- Opportunities to talk about the learning experience and what they now do differently

Training tends to be focused on the individual. This can be problematic if large scale changes are needed – how many individuals will it take to effect the whole? Groups are easier to change than individuals so, depending on the purpose of the training, sending whole teams may result in a more powerful transfer of learning.



### Useful questions to ask yourself

- After a typical program, what % of participants transfer and apply what they have learned well enough to improve their on-the-job performance?
- Do learners have time to set goals, plan for action and prepare for communicating their learning to others as an integral part of their learning activity?
- Are participants' managers actively engaged in a monitoring and follow-up process?
- Are on-the-job results measured based on the desired outcomes expressed before the course?
- DO those requesting or commissioning the L&D activity articulate exactly how each major player in the process will be involved?

### A useful tool

Ensuring that all the major players are involved before, during and after the L&D activity and that their responsibilities are well articulated and understood is essential if learning is to be successfully transferred to the workplace. The following table will help to ensure that all those involved play their part,

Example activities are shown in the table below.

WHO	WHEN		
	BEFORE	DURING	AFTER
MANAGER	<ul style="list-style-type: none"> <li>• Provides baseline performance data</li> <li>• Ensures learning solution is aligned to the needs of the business</li> </ul>	<ul style="list-style-type: none"> <li>• Takes part in mid-course review</li> <li>• Plans for using learning on the job</li> </ul>	<ul style="list-style-type: none"> <li>• Checks that new learning is being used back in the workplace</li> <li>• Helps to conduct any relevant evaluation activities</li> </ul>
TRAINER	<ul style="list-style-type: none"> <li>• Ensures that learning needs are completely understood</li> </ul>	<ul style="list-style-type: none"> <li>• Continuously checks that learning needs are being met</li> </ul>	<ul style="list-style-type: none"> <li>• Provides backup and support</li> </ul>
LEARNER	<ul style="list-style-type: none"> <li>• Understands why this L&amp;D activity is important</li> <li>• Does any preparatory work</li> </ul>	<ul style="list-style-type: none"> <li>• Completes all required tasks</li> <li>• Maintains a positive attitude</li> <li>• Plans how the learning will be used 'back at base'</li> </ul>	<ul style="list-style-type: none"> <li>• Uses new learning</li> <li>• Communicates new learning with team</li> </ul>

After: *Transfer of Learning*, Broad, M and Newstrom J, 1992



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## 5. Part of a company policy, which sets out who is responsible for planning, implementing and evaluating learning and development activities

"In general, a firm that has conducted needs assessments, devised training objectives, submitted training results to management, and coordinated training activities with other HRM practices is more likely to achieve success in training than are those firms that have not made such efforts. "

*The Relation of Training Practices and Organizational Performance in SMEs,*  
Dr. T Huang, National Central University, Taiwan

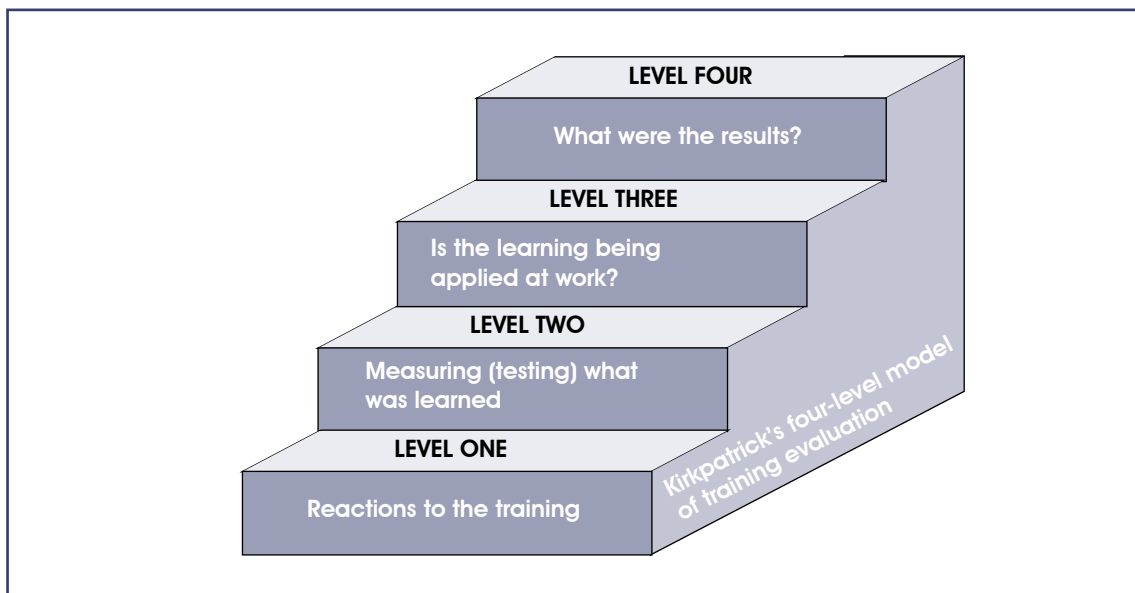
This last aspect addresses where decisions are made about investments in learning and development and the nature of those investments. Where L&D is fully integrated into the wider organisation, ownership of these decisions must be held at the very top of the business. However, staff are involved in the planning processes at all levels, with L&D professionals seen as critical to business success and involved in strategic planning – this in contrast with HR staff simply sourcing training providers with no understanding of what the business needs are.

The leader's attitude and level of commitment to HR is critical here. For people and therefore the organisation to be high-performing, HR must lie at the heart of the organisation tackling challenges such as managing diversity, enhancing employee commitment, talent management, succession planning, employee engagement, improving performance management and rewards and measuring HR and employee performance.

Traditionally HR departments, or those people with HR responsibility on top of their main role, are generally effective at planning and implementing L&D activities, most commonly training. But there are two main areas where improvements need to be made. One is in the linking of investments in skills development directly with business objectives. The second area needing more rigour is that of evaluation.

This really is the crux of it all because it is only when we evaluate L&D can we then articulate effectively the results or impact of our activities. These results need to be expressed in business terms i.e. in terms that relate to business performance. We need to get as near as we possibly can to articulating impact on the bottom line. This kind of rigour, of course, demands that we know the results we're aiming for at the diagnosis and planning stages. Evaluation of L&D, through pinpointing any further gaps in performance, may also feed back into the overall business planning process. However, evaluation also has a cost associated with it meaning that we need to make informed decisions about which activities we evaluate and at what level.

Ironically, L&D activities are often OVER-evaluated however usually the measures aren't rigorous enough or bear no relation to the impact the L&D was hoping to achieve. Most common of all is the 'happy sheet' – which is simply a reaction measure about a specific event from a specific individual. Donald Kirkpatrick devised 4 levels of evaluation, back in 1975; the 'happy sheet' is an example of his level 1. His 4 levels are:



To improve the evaluation process, we first need to decide the level we're evaluating. When we get to level 4, and in some modifications of Kirkpatrick's model, level 5 or Return on Investment, we are 'measuring the difference' – in other words what difference did the L&D make? We can only really know the impact of any intervention if we have taken a 'baseline' measurement before the learning activity starts. We need to decide the frequency and timing of any subsequent measures we will take. Certainly with more complex development programmes such as those dealing with leadership, it may be several months, even years before true impact is seen and is measurable.

Much has been made recently about being able to show the ROI from L&D investments. Because of the costs involved, it is generally advised to conduct such rigorous evaluation on activities with objectives such as revenue improvement, cost reduction, process improvement and performance improvement. This is because these objectives will have a £ sign attached to them and it is £s that ROI measures which is why these types of training are suited to ROI or level 5 evaluation.

Some experts argue that it's not worth the effort conducting such a rigorous level of evaluation on ALL kinds of L&D since Level 5 evaluation can be very expensive and time-consuming to do. It is advised, therefore, that it is unnecessary to conduct ROI evaluation on training that provides basic or foundational skills – in other words, without them there is no business. We would do this kind of training anyway and, it is likely that, level 3 evaluation – is the learning applied at work - would be a suitable level of evaluation to start with. L&D that falls into this category includes basic product knowledge, compliance, any statutory or regulatory requirements.

Other types of L&D investment such as MLD are harder to categorise from this perspective. It is therefore advisable to determine what the outcomes of the L&D are designed to be (aligned to business needs of course) before deciding on the level of evaluation that is necessary.



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### ***Useful questions to ask yourself***

- Where does the main responsibility for L&D lie in your company?
- Is L&D managed by somebody with appropriate experience and expertise? Where is the main level of interaction with this person – strategic or operational?
- Does the company offer a range of different development activities to suit different preferences e.g. formal learning vs. e-learning vs. on-the job etc.
- How could you regularly report on the success of L&D activities? What might you measure?
- How are you evaluating your L&D investment?
- At Level 1 – how well did the training participant like the programme?
- At Level 2 – what knowledge (principles, facts and techniques) did participants gain from the programme?
- At Level 3 – what positive changes in participants' behaviour stemmed from the training programme?
- At Level 4 – what were the training programme's organisational effects in terms of reduced costs, improved quality of work, etc?



### ***A useful tool***

Here our recommendation is to again use the Wales Management Council tool, *Measuring the Difference* but include some baseline data in order to be able to measure the impact of the L&D intervention. You can only measure the difference if you know what your starting point is.



# POSTSCRIPT: USEFUL FOLLOW UP YOUR ACTION LEARNING SET INVITATION

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A lot of ground has been covered in this report but this is by no means the end of the story. We have merely skated on the surface of some complex challenges for SMEs when it comes to investing in MLD. What really matters now is putting some of the suggestions into action. To this end, we are inviting you to take part in an action set focused on MLD investment.

## *What is an action learning set?*

This is simply a group of people who get together, say once a month, to help each other learn. The idea is that the collective brains of the group help an individual with a particular issue which they bring to a particular meeting. The meeting has a structure which helps the individual to learn from the ideas the rest of the group have on their specific issue.

We are suggesting setting up an action learning set to help SMEs put some of the input from this report into practice.

If you would like to know more, please contact [sian.rees@crc-wmc.org.uk](mailto:sian.rees@crc-wmc.org.uk).

# APPENDIX 1

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Every effort has been made to trace the original author, publisher and publication date of all the above references, but in some cases this has not been possible from the information provided in the sources used.

# APPENDIX 2

## SECTOR SKILLS COUNCILS

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### **Asset Skills**

Property, Housing Facilities Management, Housing, Cleaning and Car Parking industries  
Tel: 01392 423399 E-mail: [enquiries@assetskills.org](mailto:enquiries@assetskills.org) Website: [www.assetskills.org](http://www.assetskills.org).

### **Cogent**

Chemicals and Pharmaceuticals, Oil and Gas, Nuclear, Petroleum and Polymer industries  
Tel: 01925 515200 E-mail: [info@cogent-ssc.com](mailto:info@cogent-ssc.com) Website: [www.cogent-ssc.com](http://www.cogent-ssc.com)

### **Construction Skills**

Every part of the Construction industry  
Tel: 01485 577577 E-mail: [information.centre@citb.co.uk](mailto:information.centre@citb.co.uk) Website: [www.constructionskills.net](http://www.constructionskills.net).

### **Creative and Cultural Skills**

Advertising, Crafts, Cultural Heritage, Design, Music, Performing, Literary and Visual Arts  
Tel: 020 7015 1800 E-mail: [info@ccskills.org.uk](mailto:info@ccskills.org.uk) Website: [www.ccskills.org.uk](http://www.ccskills.org.uk)

### **E-Skills UK**

IT & Telecoms industries and lead body for Contact Centres  
Tel: 020 7963 8920 E-mail: [info@e-skills.com](mailto:info@e-skills.com) Website: [www.e-skills.com](http://www.e-skills.com)

### **EU Skills**

Electricity, Gas, Waste Management and Water industries  
Tel: 0845 077 9922 E-mail: [enquiries@euskills.co.uk](mailto:enquiries@euskills.co.uk) Website: [www.euskills.com](http://www.euskills.com)

### **Financial Services**

Financial Services industry  
Tel: 0845 257 3772 E-mail: [info@fssc.org.uk](mailto:info@fssc.org.uk) Website: [www.fssc.org.uk](http://www.fssc.org.uk)

### **GoSkills**

Passenger Transport industries  
Tel: 0121 635 5520 E-mail: [info@goskills.org](mailto:info@goskills.org) Website: [www.goskills.org](http://www.goskills.org).

### **Government Skills**

Central Government, all civil service departments and agencies, unaffiliated non-departmental government bodies and Armed Forces  
Tel: 020 7276 1611 E-mail: [info@government-skills.x.gsi.gov.uk](mailto:info@government-skills.x.gsi.gov.uk)  
Website: [www.government-skills.gov.uk](http://www.government-skills.gov.uk)

### **IMI**

Automotive Retail industries  
Tel: 01992 511521 E-mail: [steves@motor.org.uk](mailto:steves@motor.org.uk) Website: [www.motor.org.uk](http://www.motor.org.uk)

### **Improve Ltd**

Food and Drink Manufacturing and Processing  
Tel: 0845 644 0448 E-mail: [info@improveltd.co.uk](mailto:info@improveltd.co.uk) Website: [www.improveltd.co.uk](http://www.improveltd.co.uk)

### **Lantra**

Land Management and Production, Animal Health and Welfare and Environmental industries  
Tel: 02476 696996 E-mail: [connect@lantra.co.uk](mailto:connect@lantra.co.uk) Website: [www.lantra.co.uk](http://www.lantra.co.uk)

### **Lifelong Learning UK**

Community Learning and Development, Further Education, Higher Education, Libraries, Archives and Information Services and Work Based Learning.  
Tel: 0870 757 7890 E-mail: [enquiries@lifelonglearninguk.org](mailto:enquiries@lifelonglearninguk.org) Website: [www.lifelonglearninguk.org](http://www.lifelonglearninguk.org)

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### **People 1st**

Contract Food Service Providers, Events, Gambling, Holiday Parks, Hospitality Services, Hostels, Hotels, Membership Clubs, Pubs, Bars and Nightclubs, Restaurants, Self-Catering Accommodation, Tourist Services, Travel Services and Visitor Attractions

Tel: 0870 060 2550      E-mail: [info@people1st.co.uk](mailto:info@people1st.co.uk)      Website: [www.people1st.co.uk](http://www.people1st.co.uk)

### **Proskills**

Building Products, Coatings, Extractives, Glass and Print industries

Tel: 01235 833 844      E-mail: [info@proskills.co.uk](mailto:info@proskills.co.uk)      Website: [www.proskills.co.uk](http://www.proskills.co.uk)

### **Semta**

Science, Engineering & Manufacturing Technologies: Aerospace, Automotive, Bioscience, Electrical, Electronics, Maintenance, Marine, Mathematics, Mechanical, Metals and Engineered Metal Products industries

Tel: 01923 238441      E-mail: [infodesk@semta.org.uk](mailto:infodesk@semta.org.uk)      Website: [www.semta.org.uk](http://www.semta.org.uk)

### **Skillfast**

Fashion and Textiles: manufacturing, trading and services

Tel: 0113 239 9600      E-mail: [enquiries@skillfast-uk.org](mailto:enquiries@skillfast-uk.org)      Website: [www.skillfast.org.uk](http://www.skillfast.org.uk)

### **SkillsActive**

Active Leisure and Learning Industry: Sport and Fitness, Outdoors and Adventure, Playwork, Camping and Caravanning

Tel: 020 7632 2000      E-mail: [skills@skillsactive.com](mailto:skills@skillsactive.com)      Website: [www.skillsactive.com](http://www.skillsactive.com)

### **Skills for Care and Development**

Social Care, children, early years and young people's workforces

Tel: 0113 245 1716      E-mail: [sscinfo@skillsforcare.org.uk](mailto:sscinfo@skillsforcare.org.uk)      Website: [www.skillsforcare.org.uk](http://www.skillsforcare.org.uk)

### **SkillSet**

Creative Media: TV, Film, Radio, Publishing, Interactive Media, Computer Games, Animation, Photo Imaging and Facilities

Tel: 020 7713 9800      E-mail: [info@skillset.org](mailto:info@skillset.org)      Website: [www.skillset.org](http://www.skillset.org)

### **Skills for Health**

Health and Healthcare

Tel: 0117 922 1155      E-mail: [office@skillsforhealth.org.uk](mailto:office@skillsforhealth.org.uk)      Website: [www.skillsforhealth.org.uk](http://www.skillsforhealth.org.uk)

### **Skills for Justice**

Custodial care, community justice, court services, prosecution services, customs, excise and police.

Tel: 0114 261 1499      E-mail: [info@skillsforjustice.com](mailto:info@skillsforjustice.com)      Website: [www.skillsforjustice.com](http://www.skillsforjustice.com)

### **Skills for Logistics**

Freight Logistics industries

Tel: 01908 313360      E-mail: [info@skillsforlogistics.org](mailto:info@skillsforlogistics.org)      Website: [www.skillsforlogistics.org](http://www.skillsforlogistics.org)

### **Skillsmart Retail**

Retail sector

Tel: 0207 462 5060      E-mail: [contactus@skillsmartretail.com](mailto:contactus@skillsmartretail.com)      Website: [www.Skillsmartretail.com](http://www.Skillsmartretail.com)

### **Summit Skills**

Building Services Engineering: Electro-technical, Heating, Ventilating, Air Conditioning, Refrigeration and Plumbing industries

Tel: 01908 303960      E-mail: [enquiries@summitskills.org.uk](mailto:enquiries@summitskills.org.uk)      Website: [www.summitskills.org.uk](http://www.summitskills.org.uk)



## **Reports by the Wales Management Council**

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Trusted Advisors in Wales – purpose, best practice, new directions

Wales Management Council Annual Review 2007 – 2008

### **2007**

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Older Workers in Wales – contribution, involvement, management

Management Think About It

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Wales Management Council Annual Review 2006-2007

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Measuring the Difference – A toolkit to help you evaluate the impact of management and leadership development in your organisation. *(Abbreviated version of Cardiff Business School research)*

Measuring the Difference – How to evaluate the impact of management and leadership development. *(Full report of Cardiff Business School research)*

Management – Think About It Again

Wales Management Council Annual Review 2005 – 2006

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High Performance Wales - Real experience, real success: high performance working in practice

Management and Leadership Development in Wales – A review of current practice 2004 – 2005

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Wales Management Council Annual Review 2003 – 2004

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Management and Innovation

Management and e-Business

Best Managed Workplaces in Wales 2003

Wales Management Team Challenge 2003

Wales Management Council Annual Review 2002 – 2003

*All these publications are available for free download from [www.walesmanagementcouncil.org.uk](http://www.walesmanagementcouncil.org.uk).*



**Cyngor Rheolaeth Cymru**  

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**Wales Management Council**



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