

The Co-operative Travel case study

The Co-operative Travel is the largest independent travel agency in the UK with over 411 retail branches and sales of over £216 million in 2007. The company prides itself on being customer and employee-focused and this is demonstrated in its commitment to training and developing its employees.

This short case study explores the business benefits that investing in training and development has brought to the company and its staff. It is based on interviews with Jayne Webb, HR Director and Gaynor Golding, Learning and Development Manager at The Co-operative Travel and an online survey of over 180 employees from each of its different channels to market. The survey was developed by People1st and included questions on the training and development employees have undertaken.

Company background

The Co-operative Travel was formed in July 2007 by the merger of United Co-op Travel Group and Travelcare. It is part of the wider Co-operative Group, the largest co-operative in the world.

Overnight, the business doubled in size, making it the leading independent travel business in the UK.

The Co-operative Travel employs around 3,500 people in the UK across its retail branch network, specialist call centres, homeworking, business travel operation and head office support functions.

Continuous Professional Development

“Learning and development opportunities are available to all our colleagues and it is essential that everyone has the relevant knowledge, skills and experience to ensure that the business achieves its objectives.”
(Gaynor Golding, Learning and Development Manager)

Well trained and developed staff is essential to achieving the company's short, medium and longer term goals. A wide range of training and development is available to staff at all levels, dependent upon the business needs.

This includes formal training and development such as an induction provided to all new employees, an NVQ programme with over 500 learners, opportunities for staff to do Travel and Tourism, Customer Service and Management NVQ qualifications, internal training courses on sales, customer service and management development programmes.

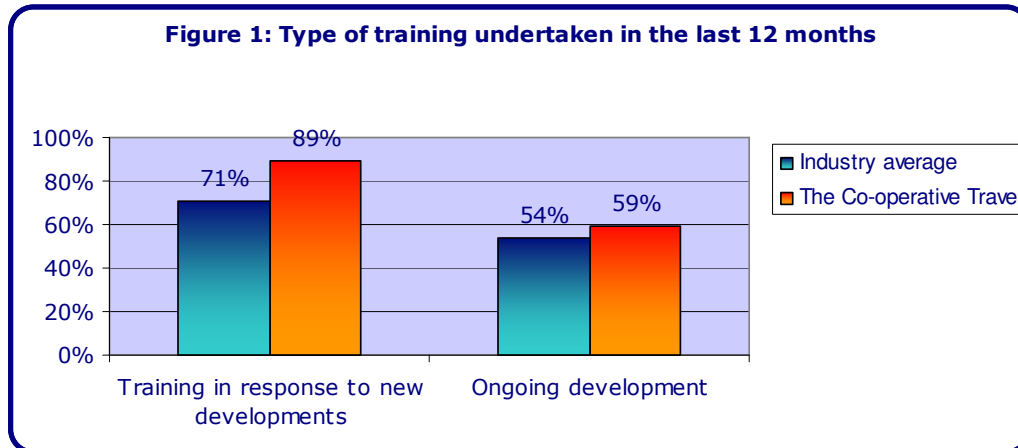
Informal learning also occurs through coaching and mentoring schemes, attendance at conferences and seminars, familiarisation trips and through CATS (Co-operative Academy Training School), the company's own online training system.

With so much training and development available, it's unsurprising that 91% of The Co-operative Travel survey respondents said that they had received training or ongoing development in the last 12 months.

Of those respondents who had received training, 89% had completed training in response to new developments such as changes in legislation, new products or services. Compared to the average for the industry (71%) it would appear that The Co-operative Travel is ahead of the game in keeping their staff up-to-date with changes in the industry and/or business (see figure 1).

“Due to ever changing laws, systems and products its important to keep up to date with all aspects of our job role” (Employee).

59% of respondents to the survey had received ongoing development e.g. Continuing Professional Development (CPD) or other developments to improve their career prospects. Again, this is higher than the industry average of 54%.



Source: Training in the Travel Industry Survey, 2008, People 1st
Base: All Co-operative Travel respondents who have undertaken training in the last 12 months

Since the beginning of 2008, the business has introduced a comprehensive online induction programme which is accessible to all employees. This enables them to complete a series of modules at their place of work and in their own time. This has already proved to work far more effectively and can also act as a refresher for existing staff who wish to remind themselves on areas such as terms and conditions, employment policies and compliance procedures. The company also has in place a “buddy system” for new starters.

To date, over 400 employees have completed the online induction – a number in excess of actual new starters.

Other “channels to market” such as homeworking require a more intense induction which consists of three days face to face.

38% of survey respondents had completed the induction or initial training at The Co-operative Travel during the last 12 months, in line with the proportion of employees who have been in their current job for 12 months and under (41%).

Training needs are identified through a variety of ways, including through training needs analysis and evaluation forms, requests from staff and through personal appraisals and 121 reviews.

Why invest in training and ongoing development?

The main reasons The Co-operative Travel invests in training and development are to improve efficiency, improve customer service levels and to ensure staff are up-to-date with new products and services. It also helps the company to reinforce its company brand and culture within the organisation, especially important with the recent merger of the two businesses.

Other reasons are to comply with regulations, ensure consistent standards across the business, aid business survival, reduce staff turnover and motivate staff.

Demand from employees is extremely high with a huge 96% saying that training and development is 'very important' or 'important' to them. When asked why, a variety of reasons were given, for example:

- Some believed that it would help them develop their career *"To help me proceed further up into the company"*.
- Others felt it was essential to ensure they were kept up-to-date with new developments in a fast changing industry: *"It is necessary as products change regularly and we need to be kept up-to-date"*.
- There was also a feeling amongst respondents that employers who train their staff value their staff: *"It is important as it shows that my employer wants to develop me and also want me to have the skills and knowledge to do my job efficiently"*

Given the current economic climate, Jayne felt that whilst this, along with uncertainty, would have an impact in the travel industry, it would heighten the need to train and develop staff to ensure the business is able to compete effectively in an increasingly difficult and competitive marketplace.

Being able to clearly demonstrate the business benefits will grow in importance. At The Co-operative Travel their investment in training has increased over the last 12 months and Jayne expects this to stay roughly the same for the next three years. Jayne stresses that all businesses *"should consider the medium and longer term requirements, not just short-termism costs of training and developing staff."*

Business benefits

So what are the benefits to the business of investing in training and development?

At The Co-operative Travel, training and development has helped with **staff retention** and career development has been highlighted as a key reason why people stay with the company. Promoting from within **reduces costs of** recruitment and initial training and aids with **succession planning**:

"Retention and succession planning are two of the key benefits of continuous training and development. We like to promote internally where we can and the more training we give the better." (Jayne Webb, HR Director)

This is evident in their successful apprenticeship programme which has an extremely high retention rate and there are many examples of ex-apprentices progressing into branch management and other senior roles in the business.

"We don't just take apprentices on for two years and once they finish they leave. Our retention of apprentices is very high, for example of the group we took on two years ago they are all still with us." (Gaynor Golding, Learning and Development Manager)

The positive impact on **career progression** is also borne out in the employee findings with 91% of employees saying that training and ongoing development has been either 'very helpful' or 'helpful' in developing their career:

"I have been on various courses to develop from Travel Consultant to Branch Manager, I wouldn't be in the position I am in now if I hadn't been on the courses" (Branch Manager)

Other key benefits Jayne highlights are **increased productivity, increased profit and increased sales**:

Jayne commented *"One way or another, the quality service delivered to customers through colleagues who are trained, has an effect on every financial aspect of a businesses trading, whether that be in terms of improved turnover or reduction in costs."*

For employees, 72% of staff believed that training and development had helped make them more productive.

Well trained and developed staff with good product knowledge also helps to ensure **high levels of customer service** are provided to the customer and **reduces customer complaints**:

“Through training comes a clearer understanding of customers’ requirements. Satisfied customers bring healthy balance sheets. With the appropriate training and development, staff turnover is more likely to remain stable at a low level and staff have the knowledge and confidence to deal with all situations.”
(Gaynor Golding, Learning and Development Manager)

71% of staff felt that training and development had ‘helped a lot’ or ‘helped’ improve the levels of customer service they provided.

Staff who are well trained also tend to be **happier** in their job, are more motivated and enjoy greater job satisfaction. Over three quarters of employees (78%) felt that the training they had received had made them happier in their job.

“It makes me happier as I know I am giving the correct information to my customers which gives me more confidence” (Employee)

“It constantly keeps the team positive to have new goals to work towards, and keeps the job more interesting learning new things.” (Branch Manager)

Investing in training and developing staff has formed a key part in helping The Co-operative Travel achieve its goals and respond effectively to a constantly changing market. Its well trained staff are more productive, efficient and knowledgeable, enabling them to confidently make sales and provide high levels of customer service. They have high levels of job satisfaction and staff retention is high.

“In difficult trading times where there are increased pressures, training budgets as with advertising, can often be seen as quick wins in reducing costs. However, this merely stores a problem which will present itself more prominently once the trading climate improves. Therefore it is important that we do not fall into the easy option trap but grasp the opportunity to improve the quality service offered by our staff which in turn will provide the business with a competitive edge in a very difficult trading climate.” (Jayne Webb, HR Director)

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