

Travel Industry Training and Development Benchmark Survey 2008

Headline Findings

The People1st and ABTA Travel Industry Training and Development Benchmark Survey 2008 provides an insight into current training and development practices and labour turnover in the travel industry.

This year's survey has a special focus on the business benefits of training and development and is supported by six employer case studies.

The survey was carried out during a six week period from July to August 2008 and received nearly 1,000 responses. The survey covered 58 employers and 927 employees (representing over 300 individual businesses).

Training and development

Extent of training provided

- 84 percent of employees have received some form of training or ongoing development within the last 12 months. This is higher than the average for the economy as a whole (67 percent).
- The larger the business, the more likely an employee has received training or development. Again this is typical of business across all industries.
- 43 percent of employers provide training to all their staff each year, 36 percent to most and 20 percent to some. Just 2 percent of respondents provide no training or ongoing development.

Type of training provided

- 71 percent of employees have received training in relation to new developments, whilst just over half have received ongoing development (54 percent) in the last 12 months. 40 percent have undergone induction or initial training.
- The most common forms of training provided by employers are familiarisation trips (82 percent), informal training (75 percent) and formal training (65 percent).
- 37 percent of employers provide formal qualifications for their staff.

- The majority of staff have an input into the type of training or development they receive (80 percent).

Main reasons for training staff

- The top three reasons for training staff are to improve customer service, improve efficiency and generate new business.
- Training and development is linked to career progression in over two thirds of businesses.
- In the majority of businesses (72 percent) training is not linked to salary.

Investment in training and development

- Responses to the survey indicate that businesses spend approximately 5 percent of their annual payroll costs and 7 percent of their annual turnover on training and development.
- Overall training spend is much more likely to have increased than decreased in the last 12 months (42 percent and 4 percent respectively). In a third of organisations it has remained the same as in the previous 12 months.
- Half of businesses expect their training budget to increase slightly over the next five years and 17 percent think it will increase significantly.
- The majority of employers think that the credit crunch will have an impact on their business, however there were mixed views on how this will affect investment in training and development.
- 23 percent of employers receive government funding to help train their staff mainly to support NVQs and apprenticeship programmes, higher than the average for the hospitality, leisure, travel and tourism section of 8 percent.

Business benefits of training and development

- Businesses were asked about the impact on their business as a result of investing in training and development:
 - 96 percent believe customer satisfaction has increased
 - 88 percent believe their profits have increased
 - 83 percent believe productivity has increased
 - 84 percent believe sales have increased
 - 72 percent believe customer complaints have reduced
 - 55 percent believe that staff retention has improved
 - 34 percent believe that recruitment has improved
- 94 percent of businesses describe their company as a happy place to work

- 98 percent of businesses believe that staff who are well trained are happier in their jobs
- 96 percent of businesses believe that training pays

Employee views on training and development

- Three quarters of employees think that they have received sufficient training to do their job.
- 86 percent of employees who had received training in the last 12 months rated the quality as 'very good' or 'good'
- The main ways training helps employees are to improve their:
 - capability of performing the job
 - productivity
 - efficiency
 - levels of customer service
 - confidence
- The majority of employees think it is very important that they receive training and ongoing development from their employer (71 percent).
- A quarter of employees think it is very important that they receive a formal qualification following their training. 32 percent think it is important and 32 percent do not mind either way.
- 81 percent of employees think training has made them happier in their job
- 89 percent felt that the training and qualifications they have undertaken has been helpful or very helpful in developing their career
- When looking for a new job, 91 percent of employees stated that it would be very important or important to them that the company offered training and ongoing development.

Staff turnover

- The average staff turnover rate amongst survey respondents was 15 percent. This is lower than the average for the hospitality, leisure, travel and tourism sector as a whole (30 percent) and the average across all industries (17 percent).
- Employees were asked how long they have been in their current role and with their current employer. A range of answers were given with some being fairly new in their role and new to their employer whilst others have been there for 5-10 years and over.
- Almost a quarter of employees have worked in the travel industry for 5-10 years and 37 percent for over 10 years.

Case studies

Accompanying this survey are six travel employer case studies on the business benefits of training and development.

Company name	Overview of case study	Key business benefits
Bales Worldwide	This case study describes the training and development at Bales Worldwide and the associated business benefits. The case study focuses particularly on initial training provided to new staff, product training and sales training.	<ul style="list-style-type: none"> • Higher levels of customer service • Reduced customer complaints • Increased sales • Consistency • Less errors • Greater efficiency • Staff retention • Helps the business to stay ahead of the competition • Greater accuracy in costings
Knock Travel	This case study explores the link between training and development, happy staff, happy customers and a happy bottom line at Knock Travel.	<ul style="list-style-type: none"> • Team working • Happy staff • Improves customer service resulting in high levels of repeat business • Improved sales • Keeps the business ahead of the competition • Helps the business to compete in difficult economic times • Gives staff increased confidence and ability • Improves job satisfaction and staff retention • Reduces mistakes • More productive and efficient staff
STA Travel	This case study describes how training and development has evolved at STA Travel and the benefits this has had for the business.	<ul style="list-style-type: none"> • Clear staff expectations • Consistent approach to supervising and developing staff • Improved staff retention • Increases in sales and revenue
The Co-operative Travel	This case study provides an insight into the training and development provided by The Co-operative Travel and describes the benefits for the business and their employees.	<ul style="list-style-type: none"> • High levels of customer service • Reduced complaints • Staff retention • Reduced recruitment and initial training costs • Aids succession planning • Increased productivity • Increased profit • Increased sales • Happier staff
Thomas Cook	This case study describes the business benefits of training and developing overseas staff employed in the tour operating business.	<ul style="list-style-type: none"> • Succession planning • Commercial understanding • Building relationships with colleagues • Improved leadership and management skills
TUI	This case study describes the Return On Investment (ROI) from TUI's apprenticeship programme.	<ul style="list-style-type: none"> • Higher staff retention rates • Greater sales performance

For further information or to obtain a copy of the full report or case studies, please contact Karen Roberts at People1st on 07778506610 or karen.roberts@people1st.co.uk