

Business guide

Developing employee skills

Developing employee skills creates a situation where your company benefits from a more knowledgeable and capable employee, while your employee gains additional skills or qualifications. This can give employees the chance to further their career and possibly increase their earning potential in the long term.

Training and skills development can assist underperforming employees and be used to encourage talented employees, allowing them to grow within the business. This helps both individual employees and your business achieve full potential.

Some business owners worry that training and development can cause an employee to seek additional responsibility elsewhere. But it's also worth bearing in mind that driven and successful employees will lose interest in their job and leave if it doesn't provide them with the opportunity to develop their skills.

Set a training budget

Consider setting aside money for staff training and development in your annual budget in the same way you'd budget for other necessary and important business expenses. You could claim the training costs as a business expense or negotiate more expensive training as part of a salary package with employees.

Draw up a training policy

A training policy doesn't need to be too in depth but it should set out any special requirements so your employees know what training you'll consider and what requirements they'll have to meet to benefit from company-sponsored training.

You could require that:

- Training needs to be job-related for the company to pay for it.
- Employees pay 50% of the course fee if training is useful to the company, but not necessary for their job.
- Employees reimburse costs (if completely necessary) if they don't complete or pass the course.

Discuss career goals and opportunities

During performance reviews or conversations with employees, make a point of discussing short and long-term career goals. You can decide how to match their goals with any short and long-term opportunities available in your business.



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Training in areas that do not further the short or long-term career goals of your employee will not be embraced as enthusiastically, so it makes sense to plan future development to balance both business needs and employee goals.

Identify employee strengths and weaknesses

One of the best ways to get agreement on the sort of training that would be appropriate is to collaboratively identify the strengths and weaknesses of each employee for any current and future roles they might play.

Start by identifying the skills they'd need for the job. Then ask them to identify the skills they have and list their strengths. Then ask your employee to identify the weaknesses in their skill set. Phrase this carefully and be clear that you're not looking to criticise but to find areas where additional training would help them perform current or future roles better.

Agree on training objectives

Use the information you've obtained from exploring career goals and opportunities, and from examining strengths and weaknesses, to identify suitable training options for each employee and collaboratively agree on training objectives with each employee.

Write down the objectives, then plan how these will be achieved and the timeframes you both expect them to be achieved by.

Monitor progress and request feedback

Monitor progress by reviewing the agreed objectives at least once a year to evaluate progress. This allows you to revise the training objectives and plans where necessary.

Consider scheduling regular meetings to ask staff for feedback. These can be as informal or formal as you like, ranging from a quick conversation to asking staff to complete a questionnaire or conduct a formal presentation on what they have learnt.

You'll want:

- A quick summary of what was learnt (the take-home benefits).
- Feedback on whether the training met the employee's expectations.
- Feedback on whether the training met your business's objectives.

Try to give your employee adequate notice that you'll be asking for feedback. This helps you to evaluate courses or training service providers to use, or avoid, in the future.