

2016 – THE YEAR FOR INNOVATION IN SKILLS DEVELOPMENT

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No matter how or why money is being spent, the outlay of funds is always accompanied by an expectation of return on investment (ROI). In the realm of skills development, innovation leads to greater ROI, while the effective management of people impacts on the holistic performance of the organisation – offering elevated ROI in terms of productivity and profitability.

At the MGIP Conference - Skills Development Laws and Policies Updates, held in the final quarter of 2015, Gizelle McIntyre, Director of The Institute of People Development (IPD), confirmed that skills development *is* an investment; one which offers both short term and long term benefits. With reference to Benjamin Franklin's wise words; 'An investment in knowledge pays the best interest', McIntyre encouraged organisations to develop their workforce in 2016.

"Audit the employees' current level of skill, plan their development and invest in their skills now. By doing so, your organisation will hold a competitive edge. Yes, skills development takes some investment, but compared to the cost of unskilled labour, it is worth every penny." She confirmed that an audit allows for investigation into the organisation as a whole, providing valuable guidance for the development of a unique and targeted skills development strategy and a valuable opportunity to see what is really going on in the business. "The TV show 'Undercover Boss' gives an interesting slant on this, with the same or similar result at the end of each show; top management needs to listen to those on the floor!"

McIntyre illustrated the point with the example of Joe, a fictitious, under-skilled operator that makes 10 mistakes a day, costing his employer R 12 000 per month. "If the company was to conduct a skills audit for R 3 000, an observation session of R 500 and coaching of R 1 500 to correct the mistakes identified, it has spent R 5 000. Even if Joe continues to make a couple of mistakes a day, the company will have *received full ROI* within the first month and will save a hefty amount going forward." This is without even considering the positive motivation and engagement possibilities emanating from the exercise.

At management level, there is no doubt that skilled managers will make - while unskilled managers will break - any team or organisation. "If management itself is hungry to learn, it will pass this learning culture on to its subordinates. As the workforce continues to grow and

develop, employees will begin to think 'out of the box', while identifying further skills scarce areas." In addition, managers that are aware of the areas in which their staff both excel and lack are better equipped to intervene when necessary, avoiding costly mistakes or strategic errors.

McIntyre confirmed that skills development should be applied to all aspects of the company, while fostering an atmosphere of continuous learning and professional development. She concluded with the notion that creativity is key to successful planning, development and ROI. "*Designing* new ideas allows for an entirely new playing field in the world of skills development. As Steve Jobs said; 'Creativity is just connecting things. When you ask creative people how they did something, they feel a little guilty because they didn't really do it, they just saw something. It seemed obvious to them after a while. That's because they were able to connect experiences they've had and synthesize new things'."

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Boilerplate:

Founded in 1999, Workplace Skills Solutions t/a The Institute of People Development (IPD) strives to equip, prepare and certify practitioners to serve South Africa's skills development strategy and facilitate the transformation of education and training. Over the years, IPD has become the preferred people development partner to most state owned and private enterprises in Southern Africa. IPD has assisted over 500 public and private training providers across most sectors of the economy to achieve or maintain accreditation through consulting, training and providing published guidelines. For more information, please contact IPD at trainingenquiries@peopledev.co.za on (011) 315 2913 or visit www.peopledevelopment.co.za