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# Strategic Imperatives of Soft Skills Training and Development; An exploratory investigation into the underlying perceptions influencing soft skills training and development participation and decisionmaking

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## Abstract

The purpose of this study was to explore the factors that influence training and development participation from an employer and employee perspective. A mixed-methods research approach was used to uncover underlying perceptions among employers and employees in relation to soft skills training and development participation decision-making. The employer's perspective was based on semi-structured interview data from market leading international construction companies. This was triangulated with survey data from the employee's perspective to generate richer insights. Results suggested a lack of priority among leadership is the main barrier to soft skills training and development for employees, primarily because of the perception of its worth and a lack of time to release employees for training. The research indicates a critical role for leadership to take a lead in enabling soft skill training and development beyond the management layer and allow wider access across the organization. Ongoing training and development strategies across all levels and disciplines to enhance individual employee productivity as well as overall organizational performance. Furthermore, the findings bring to light the need to measure and link soft skills training and development to individual and organizational performance indicators.

Keywords: soft skills, training and development, leadership, participation, decision-making

## Introduction

Human resources are universally accepted as the most valuable asset in today's corporate world. Companies worldwide invest in training and development initiatives to increase employee productivity,

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organizational effectiveness and competitive advantage (Aguinis & Kraiger, 2009). Several studies have found that organizations spend 85% of their training and development budgets on job-specific, technical or hard skills training, with the remaining 15% on soft skills (Wesley et. al., 2017). However, a report published by Development Economics Ltd. (2015) highlighted that the lack of investment in softs skills training and development will have a long-term negative impact on organizational performance, if not addressed adequately (Clarke, 2016). Based on their initial calculations for the UK, a soft skills deficit will cost the economy GBP 8.4 billion per annum.

In recent years, it has been established that hard skills alone are not enough for organizations to deliver sustained competitive advantage (James & James, 2004). While organizations continue to invest most of their budgets in hard skills training and development, there is a growing recognition that soft skills are an increasingly vital complement to hard skills in organizations. Identifying the factors that influence the decision-making related to soft skills training and development participation becomes critically important for organizations to develop the necessary organization wide soft skill capabilities that will ensure endurable individual and organizational performance as well as sustainable competitive advantage.

The purpose of this paper is to explore the factors that influence training and development participation decision-making from an employer and employee perspective.

#### Soft Skills

The concept of soft skills has been widely used in both academic and professional contexts for many years (Robles, 2012). Soft skills are generally described in terms of interpersonal abilities and personal qualities and are frequently referred to as people skills. Maniscalco (2010) referred to soft skills as a cluster of qualities, personal traits, attitudes and habits that everyone possesses, although in varying degrees. In the literature, there is much debate about the exact definition of soft skills. However, no universally agreed definition is available and several interpretations of the soft skills concept are applied (Wesley et. al., 2017). The most important soft skills identified in the literature include communication, interpersonal or social skills, people management, leadership, negotiation, time management and problem-solving (Crawford et al., 2011; James & James, 2004).

## Hard Skills versus Soft Skills

Organizations nowadays require employee skills that are generally categorized as hard skills and soft skills. Whereas hard skills refer to technical knowledge or procedural skills, the term soft skills refers to the interpersonal and social skills and attitude that can make someone a compatible employee or team worker (Maniscalco, 2010). Traditionally, the view was held that hard skills should take precedence over soft skills (Evenson, 1999). Some senior executives nowadays still assert that soft skills are of very little use or very little value to the organization (Onisk, 2011). The main rationale for this is based on the assumption that hard skills are often considered to be specific, teachable and transferrable abilities that can be precisely defined, described and measured (Yen et. al., 2001). Contrary, soft skills are frequently regarded as less tangible, harder to define and more difficult to quantify (Bronson, 2007). For example, soft skills such as communicating, listening, interacting with people and managing people play a large role in organizations to remain competitive employees must develop advanced soft skills in addition to hard skills. As such, soft skills can be considered as core employee skills or key competencies, according to Gibbons and Lange (2000).

## Importance of Soft Skills in Organizations

Academics and practitioners agree that both hard skills and soft skills are important to improve employee productivity and organizational performance. Lopes, Cote and Salovey (2006) examined the relationship between soft skills and performance at work. They found that the abilities associated with employee's emotional intelligence can contribute directly to improvement in individual performance in the workplace. Particularly, soft skills such as interpersonal skills, communication, effective influencing, conflict management, negotiation skills and stress management skills show a strong correlation (Lopes, Cote & Salovey, 2006). Several authors maintained that a focus on only developing the hard skills results in employees being overly task-oriented and rule-adherent, which in turn can have a major impact on interpersonal skills development and diminish relationship and initiative-driven skills. Bailly and Léné (2013) asserted that organizations must focus on the development of employee soft skills to personify organizational processes that involve people and to optimize interactions with external parties such as customers, suppliers and other stakeholders. Additionally, Muzio et al. (2007) insisted that an excessive dependence on hard skills, at the expense of soft skills may ultimately threaten an organization's future.

## Factors Influencing Training and Development Decisions

While the potential benefits of training and development are widely acknowledged in the literature, few insights exist regarding the factors that influence the decision-making associated with soft skills training and development participation. Traditionally, the main factors influencing training and development decisions were essentially time and money (Marlow, 1998). Aguinis and Kraiger (2009) argued that the key factors influencing training and development decisions include competency development, productivity increase and performance improvement. Other important factor include organizational Human Resources and Training policies, the introduction of new technologies, procedures and processes (Salas & Stagl, 2009) and employee-related factors such as employee's age, self-belief and attitude or motivation towards training and development (Maurer, Weiss & Barbeite, 2003). Susomrith and Coetzer (2013) further identified that employees themselves influence training and development decision-making by seeking information, selecting and suggesting training opportunities to their managers.

#### Challenges to Soft Skills Training and Development Participation

Several challenges and barriers to training and development have been identified from an employer's perspective, including the cost of training and development, the associated opportunity cost, the lack of suitable training and development opportunities, risk of post-training employee resignation as result of upskill and the (negative) attitudes of management towards professional training and development initiatives (Coles et. al, 2002; Storey & Greene, 2010).

The specific challenges and barriers identified in the literature related to soft skills training and development in organizations are limited and are mainly associated with the problematic transfer of the newly acquired soft skills (Burke & Hutchins, 2007; Laker & Powell, 2011). For example, the authors highlight that where soft skills refer to intrapersonal or interpersonal skills regarding interactions with others, the transfer of such skills is difficult to design, deliver and measure. However, White (2005) observed that organizations often do not consider soft skills training and development activities a priority. Ibrahim et. al (2017) also suggested that organizations generally do not recognize the importance of soft skill training and development on the organizational and employee performance.

## **Study Design**

The primary objective of this study was to explore the factors that influence training and development decision-making in relation to professional soft skills training participation, from an employer perspective as well as an employee perspective. To achieve this, a mixed-methods research design was adopted. Creswell (2013) recommended the application of this research design to confirm, cross-validate or corroborate findings and is particularly useful when expanding qualitative data with quantitative data. The ability to compare, contrast and weave data from the employer and employee perspective allowed for richer empirical data analysis.

## Employer Perspective

A qualitative approach was applied to collect data from the employer's perspective. Participants were drawn from a sample of successful, market leading international construction companies with their head offices in Ireland. Three participants were selected with senior Human Resources Management experience and with substantial involvement in the decision-making relating to training and development participation of employees in their respective organizations. Data collection was based on one-to-one semi-structured interviews to explore the factors that influence soft skills training and development participation decision-making in organizations in more depth. The initial data analysis of the semi-structured interviews included an assessment of the interview responses to identify any specific patterns within the collected data. The participants' interview transcripts were analysed systematically to assess the gathered data and to observe similarities and differences between individual responses.

Table 1

Qualitative data collection themes for semi-structured interview guide

- 1. Introduction
- 2. Training and development
- 3. Factors influencing Training and development
- 4. Importance of Soft Skills Development

5. Impact on performance

6. Barriers to Soft Skill Training and development participation

7. Close Interview

#### Employee Perspective

A quantitative research approach was adopted to collect data from the employee perspective. The data collection method was based on survey among participants that attended soft skills training courses with a training company in Dublin. The participants were requested to complete a questionnaire about several factors relating to their training participation. The final sample in this research was based on 104 completed and valid questionnaires. The survey data was tabulated into numerical form using Microsoft Excel and transferred to the Statistical Packages for Social Sciences (SPSS, version 24.0) software for statistical analysis.

Table 2

*Qualitative data questionnaire question categories* 

- 1. Main reason to attend training course
- 2. Who made decision to attend training course
- 3. Assessment of training need
- 4. Reason to select training course
- 5. Outcome of training course
- 6. Benefits from attending training course
- 7. Impact of training measured
- 8. Main barriers to training participation
- 9. Anything else

## **Findings and Analysis**

The research findings reveal that training and development in general is considered very important due to the nature of the industry and the projects. However, soft skills training and development among the participating companies does not receive sufficient time and budget allocation.

#### Training and Development Strategy

While all participating companies indicated to maintain a training and development strategy, in Walls training and development is considered a critical aspect for the ongoing development of existing employees as well as attracting new employees. In SISK organizational productivity and performance is based on five pillars, which include Value, Zero, People, Performance and Partners. The 'People Pillar' incorporates the company's Training Strategy and is designed to support its people to deliver on its corporate and functional strategies. Hegarty does not have a formal training and development strategy but maintains a company-wide training plan. Yet, the company has a big focus on employee development that can directly contribute to improving the organizational performance. The research findings showed that all participating companies coordinate their training and development plans and policies centrally. This is broadly in line with the extant literature, which suggests that if a training and development Strategy is incorporated into the organization's overall strategy it is expected to deliver direct benefits to the organization (McAdam & McClelland, 2002). Pearce and Robinson (2005) also affirm that a company-wide integrated training and development approach can increase productivity, quality of work and employee motivation.

## Role of Leadership

All participating companies highlighted that the role of the leadership is significant in relation to training and development initiatives in their organizations. Walls explains that the senior management team is heavily engaged in the training and development initiatives. The company has a training and development committee that leads the training and development initiatives across the company and consists of 12 members from across all divisions who meet once a month, chaired by the Construction Director. The SISK board plays a very active role in training and development activities which then cascades down to divisional, departmental and director level. Generally, the direct line manager is the primary decision maker in relation to training and development courses. Hegarty outlined that the role of the leadership in relation to training and development depends on the specific training intervention. For example, higher level training requirements are discussed at director level and require their approval, while Human Resources signs off on smaller, shorter courses, such as manual handling or first aid training.

The literature does not provide much insight about the role of the leadership in relation to the training and development initiatives in organizations. Úbeda-García et al. (2013) found that organizational training policies are one of the primary ways for organizational leadership to influence training and development activities. While this study showed that leadership in the participating organizations played an active role in the training and development decision making, the employee respondents indicated that they themselves made the decisions to attend the training course. This difference may be explained by the type of course and the level of seniority of the respondents attending the soft skills training.

## Importance of Soft Skills Training and Development

The research findings from the participating companies suggested that soft skills training and development is considered important but currently does not receive sufficient attention. Walls outlined that soft skills are very important for the company, yet its profile needs to be raised. Walls also noted that with promotions of people into management roles deficiencies arise in relation to the softer people skills. Therefore, Walls Group is looking to increase the importance and focus of soft skill competency development across the company. SISK confirmed that people management and communications skills are vital, as it allows people to work better with other people within the company, clients and contractors. Hegarty asserted that while soft skill training and development is important, the company could do more of. Hegarty's primary focus is on the technical, hard skills, because they provide the necessary certification for the employees to do their jobs. Yet, soft skills are becoming increasingly important and the company is expected to increase soft skills training.

## Organizational Culture Change

Walls stated that soft skills training and development are paramount in the context of Walls' culture change efforts. Walls increased its turnover from €85 million to €250 million in the past four years and hired many new recruits in the past 18 months. This rapid growth did not go 'without growing pains' and the company needed to support the line managers and new recruits at all levels to make this cultural shift; soft skills are considered a key part of this. SISK highlighted that enhancing people skills is critical in the construction industry overall, because working better with people will increase not only individual productivity but also team productivity. A range of soft skills can benefit staff such as communication skills, time management and better manage the workload. Hegarty pointed out that if they can develop managers' soft skills this without doubt will lead to a change in the 'old-school mind-set', through a more fluid workplace and increased openness, which can contribute to the overall culture change in the company.

Gibbons and Lange (2000) have suggested that soft skills should be considered a key competency and critical to an employee's core skills set. Lopes, Cote and Salovey (2006) also highlighted a strong relationship between soft skills and improved staff performance. While the research findings suggested that soft skills training and development is considered important, all participating companies acknowledge that they could do more. The companies also recognized the potential benefits in support of productivity improvement, employee motivation and cultural change. Yet, soft skills training and development is not being prioritised by the participating companies, even though there is recognised that soft skills can help to more effectively utilize employee's hard skills.

This is consistent with the findings of Bronson (2007) suggesting that soft skills are often regarded as less tangible, harder to define and more difficult to measure. White (2005) also indicated that organizations often do not consider soft skills training and development a priority. However, the

participating companies indicated that they are considering increasing the focus on soft skills training and development initiatives in the future.

## Barriers to Soft Skills Training and Development Participation

The research found that the most important barrier to soft skills training and development among the participating companies was the lack of time. Walls explicitly mentioned that making time available is the biggest challenge. Furthermore, Walls highlighted cost as a major challenge, because builders are typically very cost conscious and generally don't want to spend any money. SISK outlined that the support of the line managers is one of the main barriers. For example, the challenge with training and development participation is the release of employees by their line managers. Often an urgent concrete pour, last minute delivery or lack of advance planning cause curve balls and can prevent the release of employees for training. Hegarty highlighted that one of the main barriers is generational, summarized by 'sure it hasn't caused any issues yet' or 'it has never been a problem before.' In addition, the younger generation is led by (older) managers with more traditional views and 'old-school vibes.' which can cause a barrier to soft skill training and development participation.

The research from both the participating companies and the respondents survey indicated that the most important challenge to soft skills training and development participation was the lack of time. These results are in line with the literature, as Susomrith and Coetzer (2013) indicated that commonly experienced challenges to soft skills training and development participation include the lack of time and the cost of the training. Furthermore, Ibrahim et al. (2017) asserted that the line-manager can be the barrier to soft skill training and development, especially if the manager does not recognize its importance. Susomrith and Coetzer (2013) found that the negative attitudes of management towards training and development participation can be a barrier. Storey and Greene (2010) also reported that the negative attitudes of management towards professional training and development initiatives can be a barrier to training participation. While it is not clear whether this attitude is specific to the individual manager or the organization overall, Hegarty did outline that the main barrier in their organization is culture.

Due to the restricted word count of the ASC formatting guidelines all the qualitative findings and SPSS statistical analysis results are not included and therefore the richness of the data could not be fully leveraged.

#### **Reflection and Recommendations**

The results of this study have several important implications for organizational leadership and senior management. First, the research indicates that a key factor influencing the soft skills training and development participation decisions is the lack of priority related to soft skills development among leadership. Although companies incorporate a formal training and development strategy, the current focus of the training plans is centred around hard skill competencies. As such, the overriding conclusion is that the leadership should take a lead in enabling soft skills training and development participation beyond the management layer and make it accessible to all employees across the organization. Ongoing training and development in soft skill competencies should be consistently incorporated into the formal training and development strategy and individual training plans across all levels and disciplines in the organization.

Second, the results emphasize that a key factor influencing the soft skills training and development decision is the requirement to promote a company-wide soft skills training and development culture. This is particularly paramount with regards to the current perception of the worth of soft skill training and development in the 'hard' construction industry. The leadership should impress the importance of soft skills training and development upon its senior managers and actively support the development of soft skills, such as negotiation skills, time management and communication skills. Particularly since it is recognized that these advanced competencies can significantly improve individual performance, contribute to client projects and drive overall performance.

Third, one of the most fundamental factors influencing the soft skills training and development participation decisions that arises from this research is the ability to successfully retain and engage employees. While this study highlights that hard skills training and development decision are generally influenced by market needs, client-project and competitive needs, soft skills training and development initiatives are typically initiated by employees themselves. Therefore, the leadership has a very desirable opportunity to leverage employee soft skills training and development participation to simultaneously increase competency development, performance improvement and employee retention.

Finally, the findings brought to light that training and development participation is not directly measured or linked to individual or organizational performance indicators. Therefore, it is critical for the leadership to link soft skills training and development initiatives directly to individual and organizational performance. The leadership should incorporate this in their organization's formal appraisal and performance management or personal development program.

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