



Soft Skills eLearning for Your Organisation

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**White Paper** | Soft Skills eLearning

## Soft Skills eLearning Benefits to Employees, the Learning Department, HR and to the Business Bottom Line

**How Businesses Can Radically Improve Performance and Reduce Costs Using Soft Skills eLearning**

By The eSoft Skills Team

## *About [eSoftSkills.com](http://eSoftSkills.com)*

eSoft Skills Ltd. Provides [a turnkey solution](#) (Courses & Learning Management System) for small and medium size businesses to save time and cost on their employee training and development needs, which directly helps increase employee productivity, HR effectiveness and business revenue.

Our comprehensive online soft skills training library includes courses that teach members skills in areas like leadership; team management; communication; decision-making and problem solving; project management; productivity; strategy development; stress management; and many more.

Proper training in these skills is essential if organizations are to function smoothly and effectively, and if employees are to be maximally effective. As such, soft skills training can have a huge positive impact on the organization. However, ASTD figures show that the average employee receives as little as 1 day's training each year in these skills, perhaps reflecting that other skill areas have a more immediate demand on limited training budgets.

We believe that many aspects of soft skills training can be outsourced, in much the same way that many organizations outsource payroll.

Not only can it be a particularly potent part of a blended learning mix, by looking after much of the organization's "generic" soft skills training, eSoft Skills helps corporations focus their in-house training efforts on development of the specialist skills that provide serious strategic competitive advantage.

## 1. Executive Summary

HR departments rate soft skills, such as interpersonal skills, communication skills and management skills, as some of the most valuable skills they look for when selecting new employees. However employees with well-developed soft skills are hard to find, and once people have joined the organization, employers struggle to provide training in these areas.

This means that there's a real gap between the soft skills the organization needs, and the skills employees have. Looked at positively, this means that there's a huge opportunity for organizations to improve productivity and profitability by bridging this gap.

As of 2015, soft skills elearning from eSoftSkills.com has come of age, delivering rich skills development within a branded and complete learning management system. As such it provides an effective vehicle for delivering soft skills training across the organization, in an efficient and cost effective way. This makes it a key part of a blended learning mix, and helps learning and development personnel to operate in a leveraged way, offering significantly more “bang” for the learning and development “buck”.

This white paper argues that this soft skills elearning solution offers organizations a useful way of bridging the soft skills gap, thereby helping them improve productivity and profitability.

Soft skills elearning provides a new and different proposition from conventional classroom-based training. It offers training that is comprehensive, with good quality learning materials, delivered when needed at the learner's desk, at a pace set by the learner, and with the opportunity to apply new skills right away. All of this can be done in a cost-effective way, meaning that soft skills training can be spread widely through the organization, with all of the benefits that come with this.

As such, [Soft Skills eLearning](#) switches the focus of soft skills training away from remedial intervention, and towards ongoing performance improvement and profitability enhancement.

Soft skills elearning complements existing training, forming a key part of a successful blended learning mix. It can also liberate learning and development departments from the drudgery of “generic” soft skills training; freeing trainers to focus on value-added training that supports and reinforces the organization's strategy.

It also give managers the full range of tools and resources that they need to become effective coaches and trainers of their own teams, meaning that management and soft skills training can be deeply embedded within the organization.

Soft Skills elearning can be developed and deployed in a variety of ways, ranging from fully-in-house through to fully-outsourced. Fully outsourced approaches offer a rich, diverse and vibrant experience, and global economies of scale.

Fully-in-house solutions are much more costly, but may be appropriate for commercially confidential skills development.

In terms of the benefits it offers, [soft skills elearning](#) offers individuals tremendous opportunities for developing their skills in areas like leadership, team management, problem solving, decision-

making, project management, personal productivity skills, stress management, business creativity and career management.

Soft skills elearning substantially helps learning and development departments hit common performance effectiveness targets, in areas such as employee retention, employee satisfaction, productivity improvement, customer satisfaction and revenue enhancement. It very directly helps learning and development departments hit efficiency targets in areas such as number of employees trained, the number of employees trained per learning staff member and employee time to competence, as well as substantially reducing many learning and development costs.

In doing these things, soft skills elearning delivers very substantial benefits to the organization's bottom line. The first group of bottom line improvements relate to the benefits soft skills deliver to employees, in terms of improving employee productivity; reducing the costs associated with staff turnover; reducing the waste and failure associated with poor soft skills; and increasing organizational efficiency and flexibility, meaning that the organization can more quickly adapt to a changing business environment. The second group of improvements relates to revenue increases and cost reductions that can be achieved directly by deploying soft skills elearning.

## **2. Soft Skills eLearning: Benefits to the Learning Function and HR**

According to the American Society for Training and Development, the average US employee receives approximately 1 day's training in soft skills each year. This means that, by the age of 30, "average" managers may have had as few as 10 days training during their career in skills as diverse as leadership, strategic decision-making, management skills and delegation, people skills, business problem solving, personal productivity and communication.

This is understandable, given the claim on training budgets of skills areas that have an immediate return on investment, such as systems training, business process training and industry-skills training.

However, with so little formal instruction (and, often with little real mentoring and guidance from senior managers), is it any wonder that workplaces are so often dysfunctional, that management practices are often poor, that people operate in an inefficient way, and that employees are often unnecessarily unhappy and undermotivated at work?

This is where the rich skills development that soft skills elearning can deliver can have such a huge impact on individual and organizational performance; teaching people the skills they need to be highly effective producers and inspiring leaders in the workplace.

The benefits to individual employees may be clear and robust, but what about the benefits for the learning and development department, and for the people within it?

### ***Caution Misplaced?***

The immediate reaction towards [soft skills elearning](#) from employees within a traditional learning function may be negative – after all, surely this approach challenges the traditional, trainerbased way of doing things?

In fact, use of soft skills elearning offers tremendous benefits to the learning function by providing high availability, low cost training in “generic” productivity-enhancing areas. This frees up in-house trainers up to deliver mission-critical training in areas that provide specific competitive advantage for the organization, as well as helping them increase the value and impact of face-to-face sessions with high quality blended learning. This allows the training function to expand the volume of mission-critical training it delivers, at the same time that it substantially increases the organization’s productivity with high volume “generic” training.

All of this substantially increases the bottom-line impact of all training in the organization (we’ll look at this in more detail in the next section).

### *The Impact on Learning Department Performance Measures*

What’s more, soft skills elearning helps the learning function meet both performance and efficiency measures in a very significant way.

This is shown on Appendix A (which looks at typical learning function performance measures) and Appendix B (which looks at typical learning function efficiency measures). In these tables, performance and efficiency metrics shown are those that are identified as most significant in the ASTD State of the Industry Report. These are shown along with the percentage of survey respondents for whom the metric is used to assess their performance

### *Improvements in Performance Metrics*

The impact of [soft skills elearning](#) on learning department efficiency metrics is clear and direct, and we’ll look at this in a moment. The impact on learning department performance metrics is harder to measure, but is intuitively clear, nevertheless.

In terms of typical performance metrics (as identified by the ASTD and reported in Appendix A), it can be seen qualitatively how the investment in skills development can improve employee retention, customer satisfaction, employee satisfaction, sales revenue, productivity, and profitability.

Employee retention improves directly as staff receive ongoing skills training and development, and feel their capabilities “growing”.

More than this, soft skills training-created improvements – in employee communication, teamworking, management and leadership skills – eliminate many of the problems that lead people to leave; and effective training in productivity skills, people skills and stress management helps employees deal directly with the underlying issues that cause stress and unhappiness, again helping them deal with problems that undermine retention.

Similarly, employee satisfaction is directly improved – for the same reasons – and productivity improvement comes directly from increased productivity, management, motivation and leadership skills training.

Of necessity, links with customer satisfaction and sales revenue are less direct and more difficult to prove, if only because so many things can influence these. However, a strong intuitive link can be seen between use of soft skills elearning and these metrics.

### *Improvements in Efficiency Metrics*

By contrast with the less-easy-to-measure productivity metrics, it's easy to see directly how soft skills elearning can directly improve learning function efficiency measures.

By introducing **soft skills elearning** into the training mix, large increases are possible in metrics such as the number of employees trained and the number of employees trained per learning staff member. At the same time, very substantial reductions can be achieved in employee time to competence, content development costs, time to deploy new training initiatives, content development cycle time, travel and accommodation costs and cost savings through outsourcing learning initiatives. (These are identified by the ASTD as the most common learning department measures of efficiency, as identified in Appendix B).

Given the very low cost of soft skills elearning, many employees can be trained with a given training budget, allowing the number of employees trained to be increased significantly (at the same time, economies of scale mean that this training can be of a high quality).

This same dynamic means that as the number of employees trained increases, the number of employees trained per learning staff member increases radically, meaning that learning staff members can operate in a much more leveraged and strategic way.

By providing a good volume of immediately available training, soft skills elearning can substantially accelerate employee time to competence.

By deploying low-cost, instantly available, pre-developed content, content development costs, time to deploy new training initiatives, and the content development cycle time can be radically reduced.

## **3. Soft Skills eLearning: Benefits to the Business Bottom Line**

In addition, travel and accommodation costs are eliminated with workplace-based training, and cost savings through outsourcing learning initiatives are substantially improved.

So, if these are the benefits to staff and to the HR function, what are the benefits to the business?

There are two major groups of benefits to the business bottom line: the benefits that come from improvements in employees' soft skills; and the direct benefits that come from improved training delivery. We look at each of these below.

### **3.1. Bottom Line Benefits of Soft Skills Improvement**

The first set of bottom line benefits comes directly from the improvement in employee skills delivered by the online soft skills training community.

The key assumption here is that the low cost and subscription-based approach of soft skills elearning allows the volume of soft skills training to be increased very substantially.

The table in the next couple of pages shows this by skills area, firstly looking at the benefits of improving skills in that area, and then looking at the impact that skills improvement has in improving organizational profitability.

Essentially, the direct bottom line benefits achieved are:

### *Improvements in Productivity Per Employee (Increased Revenue/Reduced Costs):*

These are delivered by the following skills improvements:

Improved employee motivation through better leadership – people work harder when they're led better.

Better management of employees, meaning that they're used more effectively and more efficiently. Also, they're managed in a way that means that they're happier and more engaged with the organization, and therefore work harder.

Improved communication, leading to better co-ordination of activities and better teamworking.

Improved time management and personal productivity skills, meaning that important work is completed more quickly, and that more work can be done by the same number of employees.

Increased attendance and reduced absenteeism, coming from improvements in interpersonal skills and increased employee happiness.

Improved career awareness, meaning that people move into roles they're best suited to, and are therefore more productive in.

By improving employee motivation and productivity, organizations are able to do much more with the same number of employees, meaning that they can generate more revenue and more profit without increasing costs.

### *Reductions in Recruitment Costs (Reduced Costs):*

Reductions in recruitment costs come largely from improvements to staff retention. These are delivered by:

Improvements in leadership and management skills, leading to higher motivation, higher engagement with the organization, and more job satisfaction.

Improvements in stress management, personal productivity, teamworking and communication skills, eliminating many of the problems that reduce job satisfaction, and cause people to move on.

Improvements in career management skills, meaning that people seek to move into roles that they're better suited to, and are better able to deal effectively and adeptly with problems arising in the workplace.

By reducing staff turnover, direct recruitment costs are reduced, induction costs are reduced, and highly skilled people are retained within the organization. This means that more employees are highly effective and productive, and that the organization is more able to change and adapt to changing circumstances.

#### *Reduced Waste (Reduced Costs):*

Waste is reduced by the following skills improvements: Improved ability to co-ordinate people effectively, reducing wasted effort.

Improved problem solving and decision-making, meaning that bad projects are not run, and that the best possible projects are identified and go ahead. (The extent to which this is significant depends on the finance department's involvement in project approval).

Improved problem solving and decision-making mean that problems are solved more quickly and more effectively, so time and resources are not wasted by delay, or wasted on ineffective solutions. In the same way, they mean that resources are focused only on good projects.

Improved strategic analysis means that projects run are more likely to be well-matched with the organization's strategic environment, meaning that poor projects will not be run, and many business problems will be avoided. All of these substantially reduce costs and waste.

Improved project management means that resources are used well and at maximal efficiency, meaning that waste is reduced as far as possible.

Skills Area*	How This Affects the Organization	How This Affects Profitability
Leadership	<p>Improved ability to:</p> <ul style="list-style-type: none"> <li>• motivate staff to deliver results</li> <li>• co-ordinate staff effectively</li> <li>• manage the delivery of strategy</li> <li>• build stronger teams for the future.</li> </ul>	<ol style="list-style-type: none"> <li>1. Improved productivity per employee. Increased revenue.</li> <li>2. Reduced time wasted through poor motivation. Reduced costs.</li> <li>3. Faster delivery and shorter project cycle time, resulting in improved productivity. Increased revenue.</li> </ol>
Team Management	<p>More efficient and effective use of personnel.</p> <p>Better recruitment by managers.</p> <p>Better development of employees by managers.</p> <p>More satisfied, happier employees.</p> <p>Reduced disengagement and absenteeism.</p> <p>Increased staff retention.</p>	<ol style="list-style-type: none"> <li>1. Significantly improved productivity per employee. Increased revenue.</li> <li>2. Lower recruitment costs.</li> <li>3. Lower induction and training costs as staff turnover reduces.</li> <li>4. Reduced staffing costs – more can be done with the same number of employees.</li> <li>5. Reduced waste through absenteeism.</li> <li>6. Increased ability to change flexibly. Reduced costs.</li> <li>7. Increased ability to take advantage of strategic opportunities. Increased revenue.</li> </ol>
Strategy	<p>Better ability to manage business risks and avoid business problems.</p> <p>Increased ability to identify strategic opportunities.</p>	<ol style="list-style-type: none"> <li>1. Reduced waste, by avoiding failed projects.</li> <li>2. Reduced costs of mitigating business issues.</li> <li>3. Improved revenue from recognizing and exploiting new opportunities.</li> </ol>
Problem Solving	<p>More able to:</p> <ul style="list-style-type: none"> <li>• solve business problems first time</li> <li>• solve business problems more rapidly</li> <li>• identify how to exploit opportunities profitably.</li> </ul>	<ol style="list-style-type: none"> <li>1. Reduced waste. Reduced costs.</li> <li>2. Increased first time fixes of problems, reducing costs.</li> <li>3. Increased profitability.</li> </ol>

Decision-Making	Avoidance of bad projects.  Focusing of resources on good projects.	1. Avoidance of bad projects. Reduced costs.  2. Selection of good projects. Increased profitability.
Project Management	More able to co-ordinate and use resources efficiently.  Increased ability to deliver projects in short timescales.	1. Reduced waste. Reduced costs.  2. Reduced need for personnel. Reduced costs.  3. Increased productivity. Increased revenue.
Time Management and Productivity	Increased personal productivity and reduced stress.	1. Increased revenue.  2. Much more can be done with the same number of staff.
Stress Management	Reduced: <ul style="list-style-type: none"> <li>• staff turnover</li> <li>• absenteeism</li> <li>• legal exposure</li> <li>• organizational resources needed to manage the consequences of stress.</li> </ul> Improved engagement.	1. Lower recruitment costs.  2. Lower induction and training costs.  3. Less time wasted through poor motivation. Reduced costs.  4. Lower management costs.  5. Increased productivity, meaning increased revenue.
Communication	Improved: <ul style="list-style-type: none"> <li>• productivity as people work more effectively together</li> <li>• team effectiveness</li> <li>• ability to communicate with clients.</li> </ul> Reduced time spent solving problems caused by miscommunication.	1. Improved revenue from improved productivity.  2. Improved revenue from improved reorder rate.  3. Reduced waste. Reduced cost.
Career Skills	Personnel moving into roles they're best suited to.  Employees developing their careers intelligently within the organization.  Employees handling workplace issues wisely.	1. Reduced staff turnover. Lower recruitment costs and induction costs, and increased productivity.  2. Increased individual effectiveness in role. Increased revenue.  3. Fewer workplace problems. Less waste.

Improved stress management means that many of the losses caused by stress are avoided. In particular, time-consuming and expensive legal issues can be more readily avoided.

Improved communication reduces the losses of effort and resources caused by miscommunication.

Improved career self-management means that people are more likely to move into the best jobs for themselves, meaning that fewer problems will be experienced.

### ***Increased Flexibility and Adaptability (Increased Revenue/Reduced Costs):***

More skilled individuals are more able to adapt to changing circumstances, and help the organization take advantage of new opportunities.

Better-led and managed individuals are more likely to embrace change, and respond positively and enthusiastically to strategic opportunities or necessities.

Leaders with good change management skills are more able to implement necessary change.

Improved strategic analysis means that strategic opportunities are more likely to be identified.

More effective communicators are better able to communicate and engage with clients, increasing customer satisfaction and thereby increasing reorder rates.

### **3.2. Bottom Line Benefits of Improved Training Delivery**

The second group of benefits come from improvements in training delivery achieved with soft skills elearning.

#### ***Increased Number of Employees Trained (Increased Revenue):***

The very low cost of this approach to training means that many more employees can be trained for a given budgetary spend.

All of the benefits of soft skills training identified above can be delivered to many more people within the organization, with strong benefits to the organization as soft skills improve within it.

#### ***Increased Specialist Training Delivery (Increased Revenue):***

With “generic” soft skills training being delivered using online learning management system (LMS), learning personnel can be redeployed to deliver training that directly enhances the organization’s competitive edge.

#### ***Reduced Content Development Costs (Reduced Costs):***

With content development costs for generic soft skills training spread between many different organizations and individuals, soft skills elearning gives access to real economies of scale in content development, significantly reducing – or, depending on deployment, eliminating – content development costs.

### ***Reduced Travel and Accommodation Costs (Reduced Costs):***

Training is delivered at the employee's desk. Costs of travel and accommodation are eliminated, as are the costs of arranging cover for absent employees.

### ***Fast Deployment (Improved ROI):***

Fully-outsourced soft skills training can be delivered on a "turnkey" basis – as soon as the organization signs up for the eSoft Skills Learning Management System, employees can start to enhance their soft skills, and the organization starts receiving benefits. (This compares with bespoke solutions, where it takes many years to develop the depth, breadth and quality of material needed to deliver full benefits.)

### ***Reduced Cost-Per-Learning-Hour (Reduced Costs):***

The ASTD State of the Industry Report quotes an average cost-per-learning-hour used of US\$55.62.

Depending on use, soft skills elearning-based training can have costs as low as US\$5 per user per month regardless of how many hours of learning are consumed.

Not only does this approach reduce soft skills training costs by more than 90%, it delivers an entire year of soft skills training for less than the cost of half a day of traditional training. All of this is delivered with all of the quality benefits already explained.

It's clear that online soft skills training through a branded and dedicated LMS can have a very significant positive impact on the organization's bottom line, both by improving employee soft skills (with all of the benefits this delivers), and by improving training delivery.

## Appendix A – Impact of Online Training on Learning Function Performance Assessment Measures

Metric*	% Respondents for Whom This Metric is Used to Assess Performance*	Impact of Online Training On This Metric	Organizational Bottom Line Impact
Ability to Retain Essential Employees	95.0%	Impact difficult to measure, but intuitively valid:  1. Low cost method of showing employees that the organization values them, and is investing in their development.  2. Improved staff soft skills reduce many of the problems that cause good employees to leave.	Lower recruitment costs.  Lower training costs of new staff.  Improved supply of existing staff able to meet company strategic objectives, meaning company can sustain increased revenue and profit growth.
Customer Satisfaction	95.0%	Impact difficult to measure, but intuitively valid:  1. More skilled employees are more able to satisfy customers.  2. Employees with better soft skills are more able to engage with customers on a human level.	Increased reorder rate.  Increased "word of mouth" referral of new clients.  Both of these support increased profit and revenue growth.
Employee Satisfaction	95.0%	1. Employees with better soft skills are better able to lead and manage effectively, and build a harmonious and high effective climate within the organization.  2. Employees with better stress management strategies are happier and less likely to be absent.	Improved staff productivity and performance.  Reduced absenteeism.  Fewer failed projects.  Increased profit.
Sales/ Revenues	85.0%	See "Customer Satisfaction" above.	Increased profit and revenue growth.
Productivity Improvement	82.5%	Direct productivity improvement through teaching of productivity skills, improved problem solving and decision-making. Also, see "Employee Satisfaction" above.	Reduced waste.  Increased profit growth.
Overall Profitability	82.5%	See all points above.	Increased profitability.
Quality of Products/ Services	80.0%	Impact difficult to measure, but intuitively valid. Improvement comes from all points above: Happier, better-skilled people produce better quality products and services. What's more, negative effects are reduced.	Increased revenue and profitability.
Cycle Time Reduction	67.5%	Improved creativity and productivity reduce cycle time.	Increased revenue and profitability.

## Appendix B – Impact of Online Training on Learning Function Efficiency Assessment Measures

Metric*	% Respondents for Whom This Metric is Used to Assess Performance*	Impact of Online Training On This Metric	Organizational Bottom Line Impact
Number of Employees Trained	100.0%	Very substantial increases easily achieved, as training can be delivered in a highly leveraged way.	Improved organizational capability for strategy delivery. Increased revenue and profitability.
Time to Employee Readiness or Competence	77.5%	Substantial reductions easily achieved, as employees have ready access to material needed.	As above. Increased revenue and profitability.
Number of Employees Trained per Learning Staff Member	72.5%	Very substantial increases easily achieved, as much more training can be delivered by existing personnel.	As above. Increased revenue and profitability.
Content Development Costs	72.5%	Very substantial savings possible by buying in pre-developed material. Economies of scale come from spreading costs across multiple organizations.	Significantly reduced costs.
Time to Deploy a New Learning Initiative	70.0%	Turnkey deployment means that new initiatives can be deployed very rapidly.	Rapid delivery of ROIs. Increased revenue and profitability.
Content Development Cycle Time	70.0%	Content is pre-developed, so cycle time can be reduced rapidly.	Rapid delivery of ROIs. Increased revenue and profitability.
Travel and Accommodation Costs	62.5%	Very substantial decreases as learning is conducted from the employee's desk.	Reduced costs. Increased profitability.

### CONTACT DETAILS:

To learn more about Soft Skills eLearning content and LMS from eSoft Skills Ltd. or simply have a quick chat to see if this is a good fit for your company [CLICK HERE](#) Or email us at [info@esoftware.com](mailto:info@esoftware.com)