

Bureau of Labor Statistics Report to the Senate Appropriations Committee
on a Survey on Employer Provided Training
Design and Cost Options

The following report outlines cost and design options for a new Survey on Employer Provided Training (SEPT) in response to language included in the Senate Appropriations Committee report that accompanied the Consolidated Appropriations Act, 2018 (Pub.L. 115-141). The Senate report directed the Bureau of Labor Statistics (BLS) to “provide a report not later than 90 days after enactment of this act on the cost and design options for a new survey on employer-provided training.”

The design options laid out in this report build upon BLS research sponsored by the Department of Labor in Fiscal Year (FY) 2016 and FY 2017 for BLS to begin exploring the feasibility of developing an updated SEPT. Reports summarizing this research are available upon request. The SEPT development work recommended the following design options to collect incidence of training: an online employee survey and an online employer survey, as well as a recommendation to develop and test a survey using an employee log in order to collect information on the amount of time spent in training-related activities. While the employer and employee surveys could be done independently, all three surveys are required to provide a full picture of employer-provided training. The data would be collected over the course of a year, with results released annually in the year following collection.

At the end of the FY 2017 research, BLS developed draft employer and employee survey instruments, and proposed sample designs. Should funding be available to carry out these surveys, BLS estimates it would produce the first estimates within 4 years. Specifically, additional research is required to finalize the survey instruments, design and test the new employee log, complete the Office of Management and Budget clearance process as required by the Paperwork Reduction Act, collect the data over a 12-month period, and analyze and publish the results. Additionally, BLS will have to develop data collection procedures and materials, and program survey questions into electronic data collection instruments.

For the two survey designs detailed below, the sample sizes identified were selected to strike what BLS believes to be a reasonable balance between cost and publication objectives. The cost estimates are based upon fielding the surveys annually to ensure that the data are timely and to facilitate identifying changes and trends in employer-provided training. Reducing the level of detail or survey periodicity would reduce the estimated costs, but not proportionately, due to relatively fixed infrastructure and maintenance and development costs.

Data from employers

Employer Survey (Incidence – proportion of employers providing training)

To collect the incidence of employer provided training, BLS recommends an online survey sent to approximately 20,700 establishments, stratified by industry and employment size class. The survey will ask respondents to indicate the formal training that their company sponsored, funded or provided for its employees in the prior 12 months, as well as the training delivery method, training topic, and training source. Research results indicated the employers would not reliably be able to provide information about informal training, and that the records companies keep on training often are decentralized and vary dramatically by company type, company employment size, and training topic.

The survey aims to produce the following estimates within a margin of error of three percent:

- Proportion of employers providing formal training by industry (14 sectors)
- Proportion of employers providing formal training by employment size class (5 size classes, the largest being 500+ employees)
- Proportion of employers providing formal training by delivery method (traditional classroom, other in person, online, combination, other)
- Proportion of employers providing formal training by topic (13 topics)
- Proportion of employers providing formal training by source (within company, community college, other academic institution, private vendors, trade associations, labor unions, other)

The cost estimate for developing and then annually fielding an ongoing employer survey of this size is approximately \$7 million per year, with data to be published within 4 years.

Data from employees

Employee Survey (Incidence – proportion of employees receiving training)

To collect the incidence of employer provided training, BLS recommends an online survey sent to approximately 18,500 household respondents (those who indicate they are currently employed, from the Current Population Survey). The survey will ask respondents to indicate the formal training that their company sponsored, funded or provided for them in the last 12 months and the informal training they received from their company in the last one month.

The survey will aim to produce the following estimates within a margin of error of three percent:

- Proportion of employees receiving formal training by delivery method (traditional classroom, other in person, online, combination, other)
- Proportion of employees receiving formal training by occupation (5 categories)
- Proportion of employees receiving informal training by delivery method (mentoring, job shadowing, demonstrations)
- Proportion of employees receiving informal training by occupation (5 categories)
- Proportion of employees receiving formal or informal training by age, sex, race, Hispanic origin, and educational attainment

The cost estimate for developing and then annually fielding an ongoing employee survey of this size is approximately \$5.5 million per year, with data to be published within 4 years.

Employee Log (Intensity – amount of time spent in training-related activities)

Finally, BLS research indicated that neither employees nor employers were able to recall reliably the duration of training events, for either formal or informal training. To capture the amount of time spent in training, BLS recommends that after completing the online survey, employees be asked to keep a log of all training they receive during a specified period. This log has not yet been developed or tested; a feasibility test is needed to determine how many employees will complete the log after the survey and the ability of employees to complete the log accurately.

As noted above, previous development work did not include design or testing of an employee log. Estimated costs of fielding such a log would be dependent upon the results of testing once design is completed.