

Tips on how to get the best prices from training providers

Cutting costs has always been a priority for many businesses, even before the economic downturn due to COVID-19 pandemic. This means managing employee's learning and development will also require tough budgetary decisions this year.

Optimising your company's resources will allow you to make the best decision over an extended period. One of the best ways to improve your budget is to reduce L&D expenses. While training is an essential part of any operation, your company can make minor adjustments to limit the costs and improve productivity.



How much do companies spend on training?

Many organisations invest about two to five percent of their salary budgets into learning and development. This amount may not be realistic for some businesses; therefore, it is crucial to find a training budget for every worker that your company can absorb.

Before you start planning how much you can spend for L&D, start by assessing your organisation's training needs. You need to research which skill shortage will affect productivity and performance. This is the best way that you can identify programs that will focus on the real issues and needs of the business.

Managers and department heads must work together with the HR and L&D department to have a clear understanding of what training is needed. You need to understand where operational gaps are and plan training to fill these issues.

Negotiate with your training provider

One of the best ways to save on training costs is to negotiate with your provider. When it comes to price negotiations, you often have more negotiating influences that you think you do.

Effectively fee negotiation requires a lot of skills. Some of the things you should consider are:

- The prices competitors offer – Inform your training provider that you have done due research on how much other firms are offering. Ask if they can consider lowering their prices.
- Ask for extras - This is an essential strategy to use when you feel like you're not getting anywhere. Consider asking your training provider if they can include additional subjects or topics for the training course. This will allow your employees to get as much as possible at a lowered price.
- Consider group booking discounts – One of the best ways to negotiate prices is when you get more attendees to join. Ask your training provider if they can provide bigger discounts if more employees participate.

Assess your training vendors

Not all training vendors are made equal. The biggest and most popular ones may not necessarily be the best one for your company. This is why training vendors should be properly vetted. Forget comparing the reputation or size – but check how each one fits into the needs of your organisation.

Small to medium organisations typically need to train in improving all-rounder skills. In these cases, there is no need to pay a premium for specialised training. Remember to choose vendors that offer the best value for your budget.

Work with an L&D sourcing services

Another great way is to get the services of an L&D sourcing team to do all the negotiations and preparations for you. They are the most knowledgeable, experienced people in the field who can match you with the right kind of training vendors. This move will save you from spending unnecessarily on unimportant training.

L&D sourcing services can help you streamline your training programs so that priorities are set straight.

Leverage internal resources

Instead of paying for a training vendor to improve expertise and skills, you can make use of people within your organisation to train those who know less. This move will help you cut down on huge

expenses and allows your employees to work together better. An L&D sourcing team can also assist you in developing this kind of training structure so that internal learning is continuous and effective.

Takeaways:

Improve your L&D expenses by understanding what is your real training needs. Learn the art of properly negotiating with your training provider. If that does not easily work you can always get the services of an L&D sourcing team to help arrange the best training programs for your organisation.

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