



## 2013 Learning & Development Rates Survey

### Executive Summary

As part of the Institute for Learning Practitioners (ILP) ongoing commitment to support learning and development professionals by sharing current industry information and services, the Institute conducted a survey to ascertain information regarding the rates charged for Learning and Development (L&D) services (i.e. training, facilitating, coaching and consulting) and the variables which influence fees.

ILP would like to acknowledge the Ithaca Group for assisting us with some of the analysis of the survey data.

### ABOUT ILP

ILP is the leading professional body for learning and development professionals in Australia. Through research and innovation ILP sets the benchmark for best practice and results-driven initiatives for individuals, business and industry.

### Survey methodology

This survey of Learning and Development (L&D) professionals was conducted online using Survey Monkey between 6 – 19 August. Overall, a total of 285 L&D professionals completed the survey during this period.

There was significant variability in the range of professional rates reported in the survey. In order to accurately compare survey results, the survey data was cleaned to exclude invalid responses (e.g. obvious reporting errors and incompatible responses, such as those from overseas). To avoid distorting average rates, one outlying response that far exceeded the rest of the data set was excluded, as were responses from a small number of survey participants who reported providing services on a pro-bono basis.

Two types of average are used in this analysis, mean and median:

**Mean** – is the most commonly used ‘average’, calculated by adding all numbers in a set and then dividing by the count of those numbers

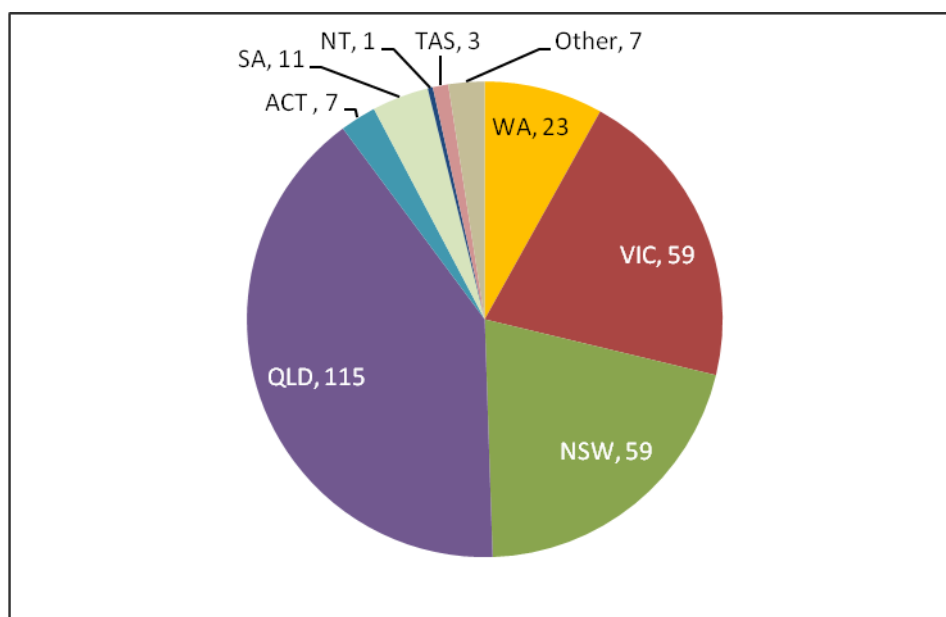
**Median** – is the middle number of a group of numbers; that is, half the numbers have values that are greater than the median, and half the numbers have values that are less than the median

In this analysis, the median is likely to be the best representation of the majority of survey participants, given that the significant variability in the upper range of reported rates has a noticeable effect on the mean. It should be noted that due to questions being answered in differing ways by different respondents, some rates included here, especially those in the higher end of the ranges, may involve more than one person providing the service for the given rate.

# Findings

## Q1 Survey Participants and Breakdown by Location

### 1.1 Number of survey participants, by location



### 1.2 Comparison of typical daily rates for conducting training or facilitating a course, by state

State	No of survey participants who answered this question*	Range	Mean	Median
WA	19	400-8000	1656	1150
VIC	40	200-7500	1900	1500
NSW	41	420-6000	2162	1500
QLD	68	165-5000	1833	1900
ACT	6	320-3500	1978	2125
SA	7	650-3000	1829	2250
NT	1	250	-	-
TAS	1	1000	-	-
<b>Total</b>	<b>183</b>			

\* Excludes invalid responses and locations (e.g. 'Other')

### 1.3 Comparison of typical daily rates for coaching services, by state

State	No of survey participants who answered this question*	Range	Mean	Median
WA	6	1000-2470	1587	1200
VIC	15	600-4000	2137	2250
NSW	14	420-3176	1673	1200
QLD	18	450-5000	1892	1850
ACT	0	-	-	-
SA	2	1350-3000	2175	2175
NT	0	-	-	-
TAS	0	-	-	-
<b>Total</b>	<b>55</b>			

\* Excludes invalid responses and locations (e.g. 'Other')

### 1.4 Comparison of typical daily rates for consulting services, by state

State	No of survey participants who answered this question*	Range	Mean	Median
WA	13	520-5000	1622	1200
VIC	27	400-7500	1984	1500
NSW	22	250-7500	1792	1500
QLD	40	125-6000	1801	1650
ACT	4	800-2750	1963	2150
SA	3	1200-2500	1750	1550
NT	0	-	-	-
TAS	0	-	-	-
<b>Total</b>	<b>109</b>			

\* Excludes invalid responses and locations (e.g. 'Other')

### 1.5 Comparison of typical daily rates for conducting training or facilitating a course, by metropolitan / regional location

Location	No of survey participants who answered this question*	Range	Mean	Median
Metropolitan	139	165-8000	2078	2000
Regional	41	320-3500	1472	1200
<b>Total</b>	<b>180</b>			

\* Excludes invalid responses

## 1.6 Comparison of typical daily rates for coaching services, by metropolitan / regional location

Location	No of survey participants who answered this question*	Range	Mean	Median
Metropolitan	40	650-4000	1975	2000
Regional	14	420-3000	1384	1100
<b>Total</b>	<b>54</b>			

\* Excludes invalid responses

## 1.7 Comparison of typical daily rates for consulting services, by metropolitan / regional location

Location	No of survey participants who answered this question*	Range	Mean	Median
Metropolitan	86	125-7500	1882	1500
Regional	23	400-2500	1383	1200
<b>Total</b>	<b>109</b>			

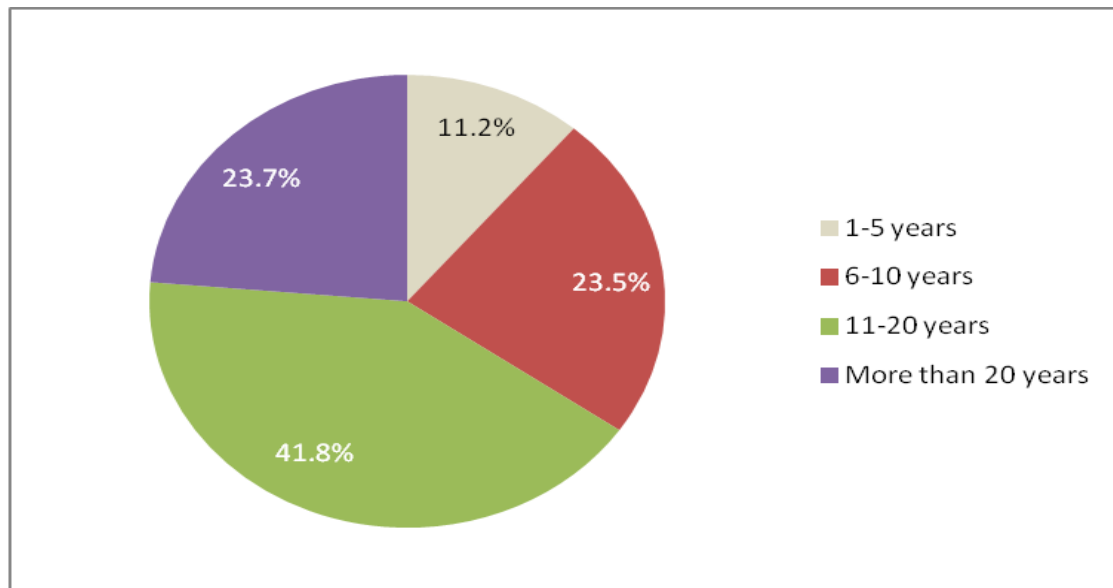
\* Excludes invalid responses

## Q2 How many years' experience do you have as an L&D professional?

Answer Options	No of survey participants who answered this question*	% of total responses	Range	Mean	Median
1-5 years	32	11.2%			
6-10 years	67	23.5%			
11-20 years	119	41.8%			
More than 20 years	66	23.7%			
<b>Total responses</b>	<b>284</b>	<b>100%</b>	<b>2-40</b>	<b>15</b>	<b>15</b>

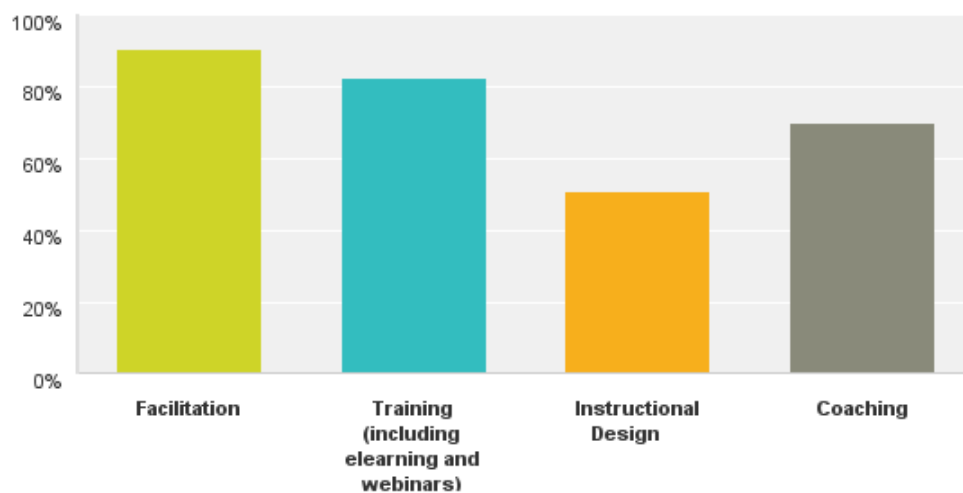
\* Excludes invalid responses

## 2.1 Survey participants by number of years L&D professional experience (%)



## Q3 What L&D services do you provide? (tick as many as required)

Answered: 283 Skipped: 3



#### Q4 What are your three main specialty areas?

Specialty Area	%	No of respondents
1. Management / Leadership	27.21%	77
2. Communication	25.09%	71
3. Development	16.61%	47
4. Team Building	15.19%	43
5. Coaching	8.83%	25
6. Facilitation	7.42%	21
7. Safety	6.01%	17
8. Customer Service	5.30%	15
9. Strategy	3.89%	11
10. Training and Assessment	3.18%	9
11. Strategic Planning	2.83%	8
12. Compliance	2.47%	7
13. Instructional Design	2.12%	6
14. Engagement	1.77%	5
15. TAE	1.77%	5

#### Other areas respondents specialised in:

Behavioural Coaching

Business Improvement

Culture

Customer Service

Facilitation

Finance

Goal Setting

Job Performance

Change

Organisational Learning

Presentation Skill

Problem Solving

Soft Skills

**Q5 When conducting training or facilitating a course, what are your rates [excluding GST]?**

Answer Options	No of survey participants who answered this question*	Range	Mean	Median
Daily rate - minimum	190	100-6000	1388	1025
Daily rate - maximum	183	180-10000	2438	2200
Daily rate - typical	186	165-8000	1840	1500
Half-day rate - minimum	148	175-6000	985	750
Half-day - maximum	146	130-7000	1507	1300
Half-day - typical	147	130-6000	1216	1000
Hourly rate - minimum	141	30-1100	173	135
Hourly rate - maximum	136	40-1300	274	223
Hourly rate - typical	146	27-1100	221	180

\* Excludes invalid responses

**Q6 Further to your responses to questions 5, what is your maximum number of participants per session for the quoted rate?**

The most common response to this question was a maximum number of 20 participants per session (with 62 responses = 28.5%).

Majority of responses were between 10 and 25 participants (with 194 responses = 89%).

Maximum of participants per session	No. of responses	%
20	62	28.5%
15	27	12%
12	24	11%
26	21	9.6%
25	21	9.6%
10	17	8%

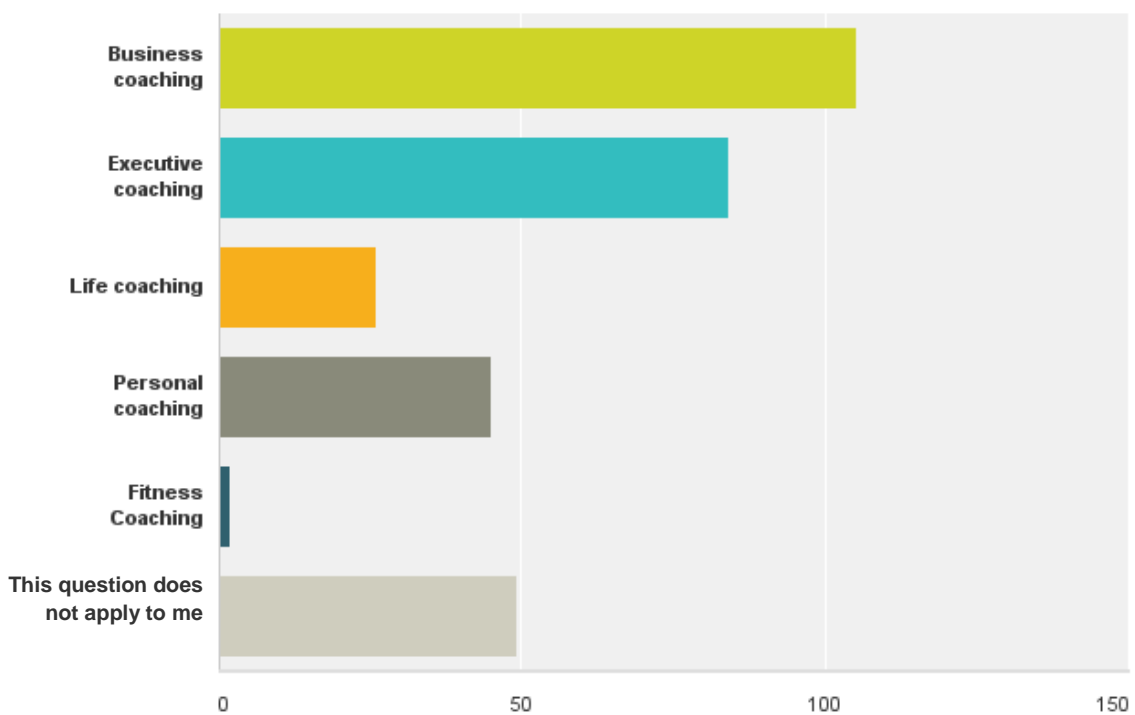
**Q7 If you charge per participant when training or facilitating a course, what do you charge [excluding GST]?**

Answer Options	No of survey participants who answered this question*	Range	Mean	Median
One day	66	12-3000	553	400
Half day	53	15-1500	304	250
Per hour	41	14-500	160	138

\* Excludes invalid responses

**Q8 If you offer coaching services, what areas do you specialise in?**

Answered: 196 Skipped: 90





**Q9 For coaching services offered (if any), what are your rates [excluding GST]?**

Answer Options	No of survey participants who answered this question*	Range	Mean	Median
Hourly rate - minimum	113	20-800	205	180
Hourly rate - maximum	109	70-1300	313	300
Hourly rate - typical	110	50-800	252	250
Half-day rate - minimum	44	180-2000	844	769
Half-day rate - maximum	43	280-3000	1301	1200
Half-day rate - typical	45	200-2000	1021	1000
Daily rate - minimum	54	360-4000	1588	1375
Daily rate - maximum	52	550-7500	2359	2500
Daily rate - typical	56	420-5000	1867	1850

\* Excludes invalid responses

**Q10 For consulting services offered (if any), what are your rates [excluding GST]?**

Answer Options	No of survey participants who answered this question*	Range	Mean	Median
Daily rate - minimum	108	100-7500	1336	1000
Daily rate - maximum	109	150-10000	2216	2000
Daily rate - typical	110	125-7500	1815	1500
Half-day rate - minimum	60	120-7500	996	625
Half-day rate - maximum	61	250-7500	1365	1000
Half-day rate - typical	63	225-7500	1218	800
Hourly rate - minimum	91	35-380	148	125
Hourly rate - maximum	91	50-600	242	220

\* Excludes invalid responses

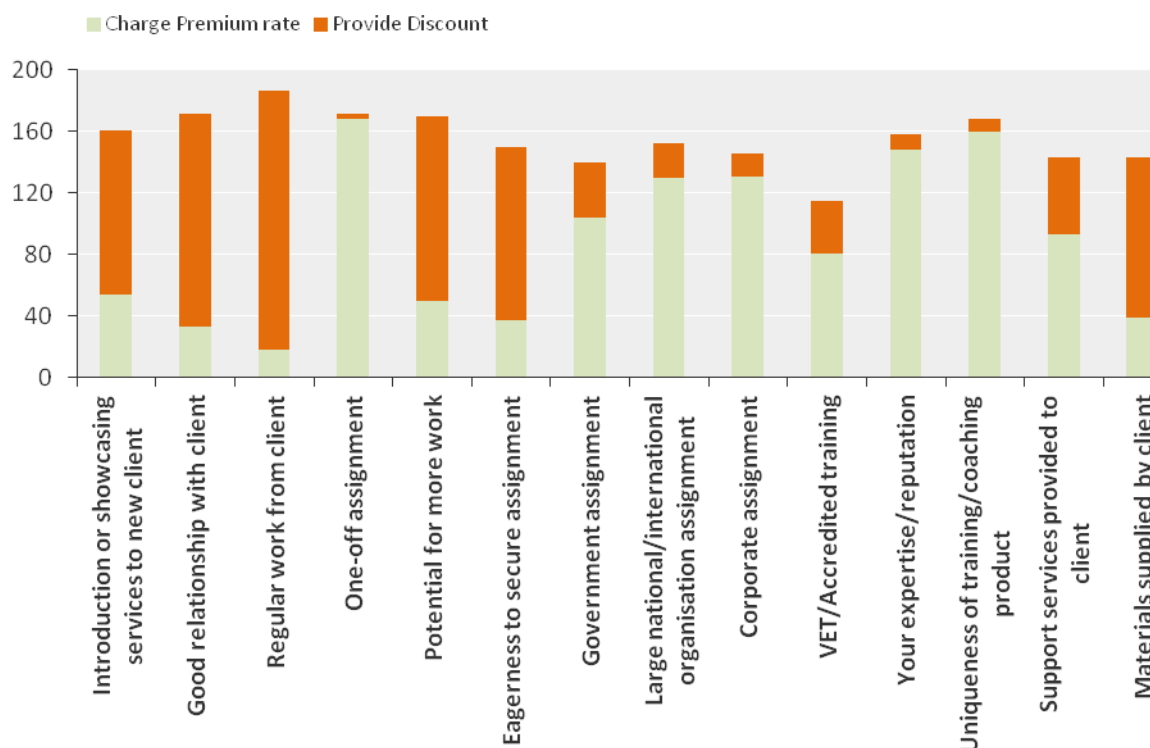
**Q11 For the design and development of learning programs (if offered), what are your rates [excluding GST]?**

Answer Options	No of survey participants who answered this question*	Range	Mean	Median
Daily rate - minimum	89	100-3000	1084	900
Daily rate - maximum	82	250-5000	1688	1500
Daily rate - typical	86	250-5000	1441	1200
Hourly rate - minimum	64	45-500	130	100
Hourly rate - maximum	61	35-500	192	150
Hourly rate - typical	64	45-3000	202	125

\* Excludes invalid responses

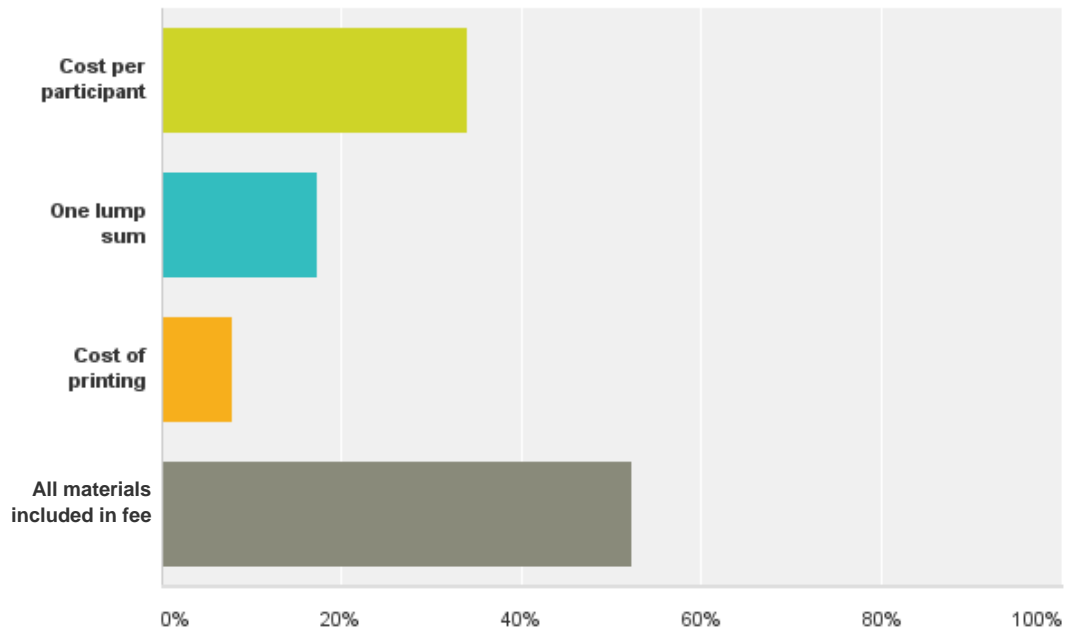
**Q12 When deciding on a rate for an L&D service, which of the following variables influence whether you provide a discount or charge a premium rate?**

Answered: 206 Skipped: 80



### Q13 Where you are supplying the materials for training or facilitation, how do you charge for the materials?

Answered: 203 Skipped: 83



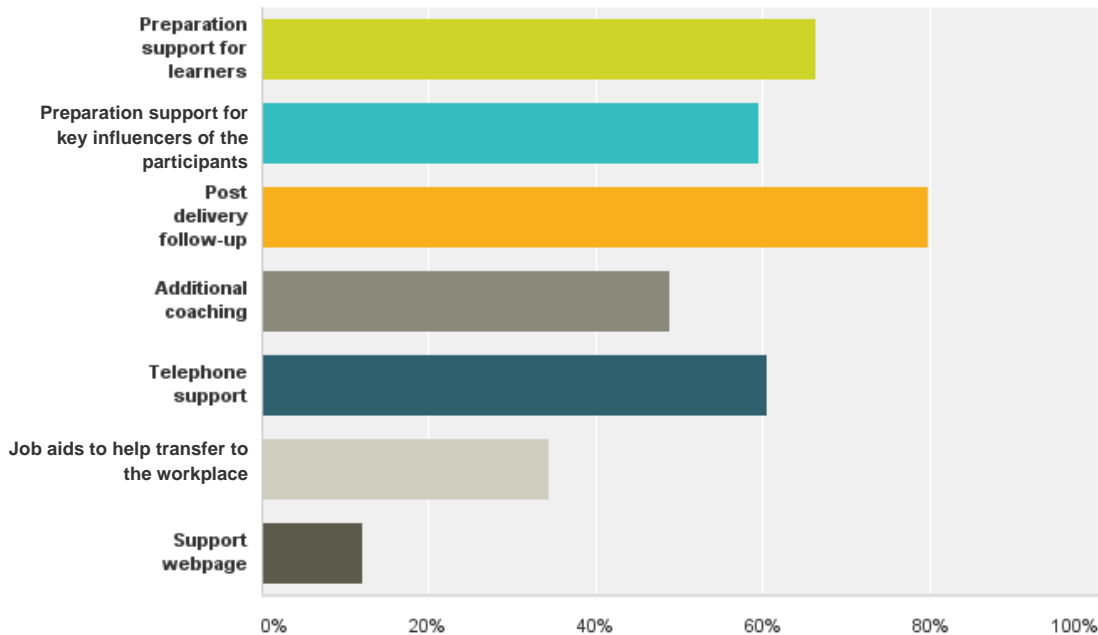
Just over half of the respondents (52.22%) include the cost of materials in their total fee, or the client supplies the materials. If materials are charged as an extra in most cases it is at cost.

#### Some general comments included:

- I charge an RTO and administration fee of \$385.00 per person.
- Generally will include in fees (if extras), then there will be a cost per participant.
- Sometimes charge per participant for Manuals (e.g. \$18 per participant).
- Depends:
  - on client and class size
  - if one off licence fee for significant contracts through to per person
  - on client, some prefer to print themselves, but mostly I print and charge for cost of printing
  - on product - i.e. profiling is extra
  - if they are happy with a PDF copy or not
  - on the type of printing needs and the level of administration required.
- I usually include such items as handouts, travel, briefing meetings, in fee unless substantial.
- Client pays for the IP developed and they print materials.
- Assessments and special materials outside of training workbooks are charged at cost.

## Q14 Does your service include:

Answered: 207 Skipped: 79



### Some general comments included:

#### *Preparation*

- Normally a daily fee includes prep. Often only meeting with leaders/HR depts.

#### *Post*

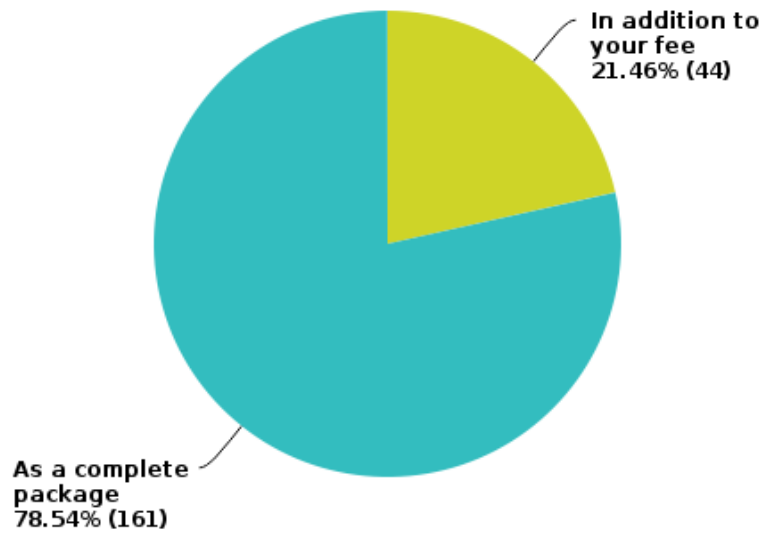
- Coaching is usually charged separately; all other services are included in the price.
- After learning networking and coaching through consultation.
- Leader Guide for managers as trainers to continue to drive the outcomes and messages.
- Visual and audio reminder of key messages gained during the program.
- Online support included:
  - Webpage is the clients intranet
  - Offer a web page as a project space
  - Delegate portal
  - Online modules.
- Provide participants with adjusted PowerPoint slides (sometimes).
- Sometimes compiling a report afterwards is time consuming so costed in quote.

#### *General*

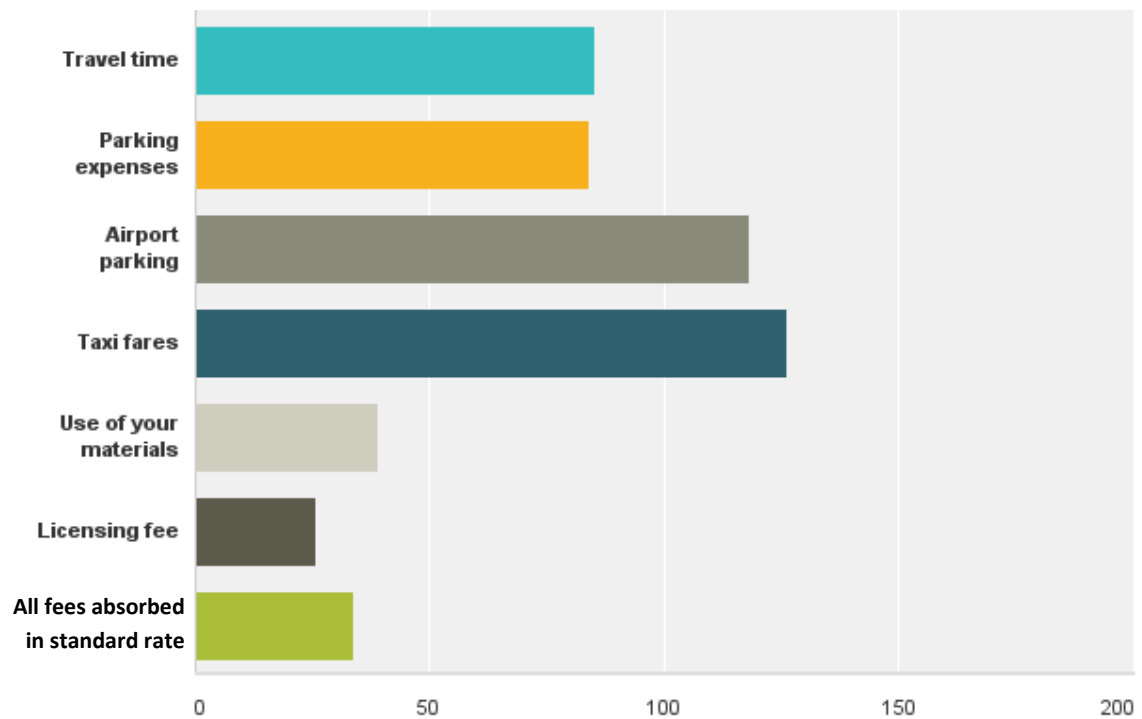
- We normally offer a full change management engagement - we rarely sell training alone - it's a waste of our client's money. Training alone does not deliver fast and lasting behaviour change.
- Most of my work is 'accredited training' and there is a course fee per participant of the course, which includes prep, facilitation/training and all support across the length of the course.
- All of these are potentially available depending on the needs of the client.
- Partnership approach with client.
- Other services charged out at usually hourly rate.

### Q15 Do you include these services in addition to your fee or as a complete package?

Answered: 205 Skipped: 81



### Q16 What additional fees are charged to clients?



## **Q17 Is there any additional information regarding how you calculate your L&D fees that you feel would be helpful?**

### **Some general comments included:**

Where most respondents calculate their fees on each engagement, or the relationship with the client, other consideration regarding fees were:

- Whether the course is accredited or non-accredited.
- Charge coaching, assessing and RTO resulting per person for accredited training.
- If part of a larger program or a one-off session.
- Customisation of services.
- Depends on cost + through to value-in-use.
- Depend on the value proposition to the client.
- Perception on competitors in the market.
- Early payment < 7 days from delivery 5% fee reduction Late payment > 30 days from delivery 5% fee penalty.
- Providers with extensive experience, high level industry recognition and excellent facilitation skills (i.e. leaders in the field) charge a premium rate.
- Based on the value to the client. If what we are doing is worth \$1M to the client then we may charge \$200K even though the cost is only \$50K. Pricing is based around ROI.
- Discount 25% for NGOs (charities, community groups, not for profits)
- Based on research of current market prices and position in the mid-range.
- Dependent on the amount of written follow up work and the number of meetings the client requires beforehand.
- More than one facilitator then the cost goes up.
- Influenced by government funding. If Federal traineeship combined with State Funding then can charge premium.
- Client's budget.
- As dictated by RTO or L&D brokering organisation. (Varies in states although demand for same service and follow up.
- Local work or travel involved.

### **Other General Comments**

- We never discount - better to add value.
- Calculation of fees is often a part of the growing relationship of trust and engagement with the client. It occurs within a discussion about their goals, long term plans, budget, and what they are comfortable with in achieving results. As such the fees can vary among clients according to the

market, their ability to pay, and the opportunity to become a long term provider of choice in their world.

- International deliveries that require currency conversion can influence calculation of fee use of facilitators/trainers with extensive experience can attract a higher fee.
- If only we could charge for Business Development time, day rates for delivering services could be reduced. Ongoing proposals, pre-program and follow-up meetings, confirmed dates that change and get pushed out are unpaid activities for me as an independent consultant.
- I have a minimum and preferred daily target for my fees. As a customer increase the volume of training I lower my fees to stay slightly above my preferred target. This method has helped in securing some major national customers. This does lower my profits however I do see a lot of return business.
- Generally accredited courses require more work but yield less pay. Prefer paid work as no marking involved afterwards which can eat up the hours otherwise. Some places expect the marking to be included but don't pay for it so be wary of that.
- We generally charge a flat daily fee of \$2750.00 plus GST with includes preparation, facilitation and any pre or post calls required for tailoring and feedback. As a general rule we under promise and over deliver so our clients feel they are getting more than they expected. This strategy has worked very well for over 15 years as we never advertise and our business successfully runs on word of mouth. The only exception to this is we run several free days a year for community organisations like lifeline as a giving back.
- I absorb as much into my regular fee (charged for actual contact time excluding briefings) as I can. For NGOs, unwaged individuals, etc., I often negotiate a "Pay forward" arrangement -- when they are better placed to do so, they will offer a similar deal to another deserving client.
- I charge per course rather than per day - for teaching my course that is a two day course - I charge \$12,000 for any number of attendees up to a maximum of 12. I include prep time and a follow up report in that fee. I bring my own materials. If I train one on one I charge \$3,000.
- I ask for an upfront payment of 25% which usually sorts out the client's level of commitment.

One respondent shared some interesting information from an American training and development association, which did research and came up with the following:

- Level 1 - Rapid development, simple content, possible repurposing from existing support material, minimal print-based support materials - Ratio 20:1 hours.
- Level 2 - Most typical ILT\* development projects. More complex content, lesson plan development, additional support materials - Ratio 40:1 hours.
- Level 3 - Complex projects, often very custom, extended time spent on formatting during production - Ratio 80:1 hours.

#### Elearning

- Level 1 - Content pages, text, graphics, simple audio or video, test to questions. PPT to elearning. Ratio 80:1 hours. Price range \$50-\$125 per hr.
- Level 2 - Level 1 plus 25% (or more) interactive exercises (allowing learners to perform virtual 'try it' exercises) liberal use of multimedia Ratio 180:1 hours. Price range \$125-\$265 / hr.
- Level 3 - Highly interactive, possibly simulation or serious game based, use of avatars, custom interaction. Ratio 490:1 hours. Price range \$215-\$715 / hr. Ratio is number of development hours per hour of training content. I will forward the report if I can find the link.

*\*Information and Learning Technology (ILT) description of the methods of using technology to enhance the learning experience within education.*

## For more information

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