



Corporate Learning Uncovered:

Exposing the realities, debunking the hype, and what to do to succeed in 2024

Learning Technologies Autumn Forum 2023



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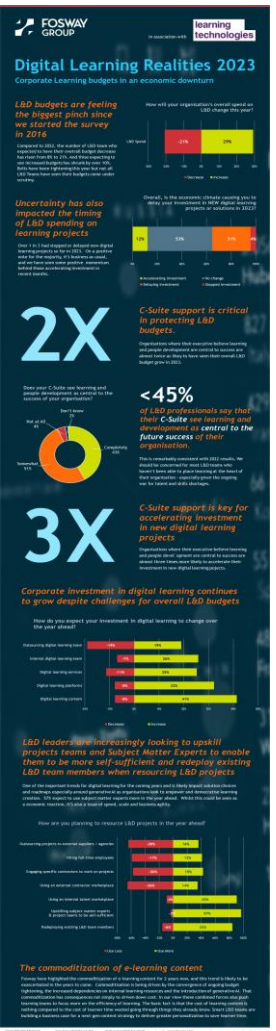
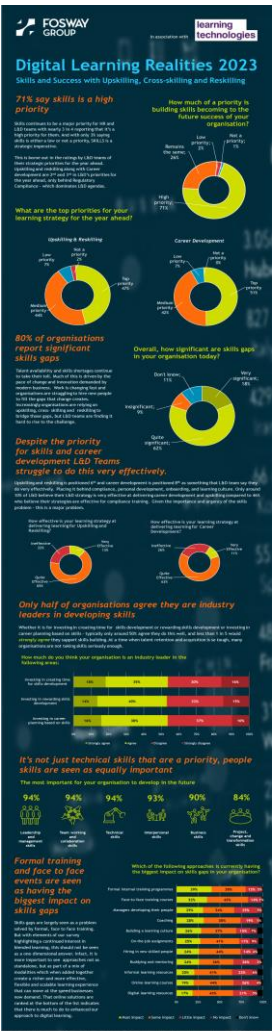
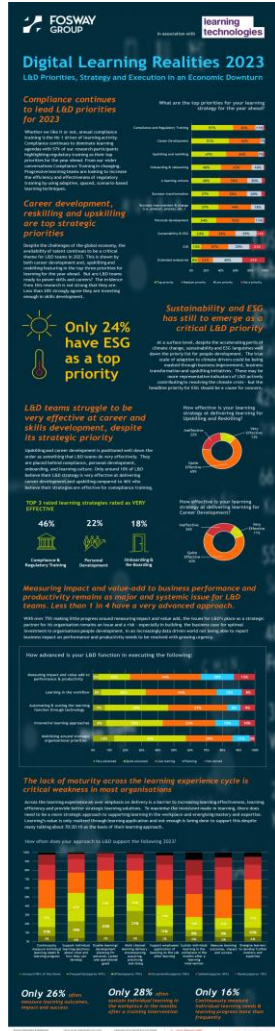
AGENDA

- What's driving L&D priorities and activity?
- How ready are L&D functions for the year ahead and beyond?
- Is technology coming to the rescue?

**Conversation not presentation
What are your experiences and perspectives?**

Background

- Survey ran from Jan to Sept 2023
- Questions across the themes of:
 - Priorities
 - Budgets & Investment
 - Learning Tech Maturity
 - Skills
 - Future L&D Tech Landscape

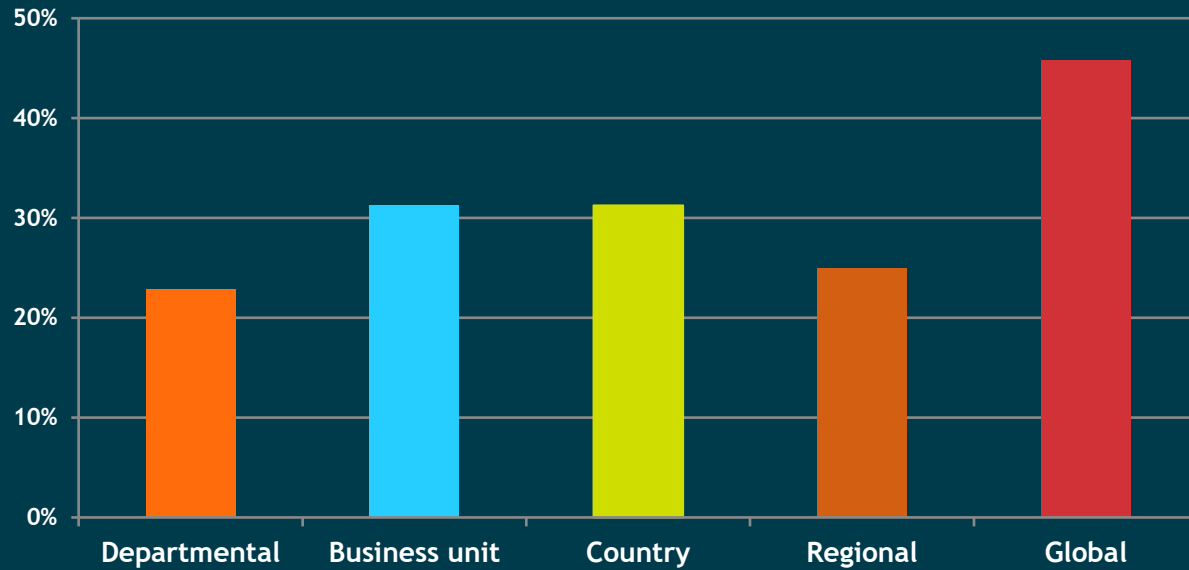


Key Facts:

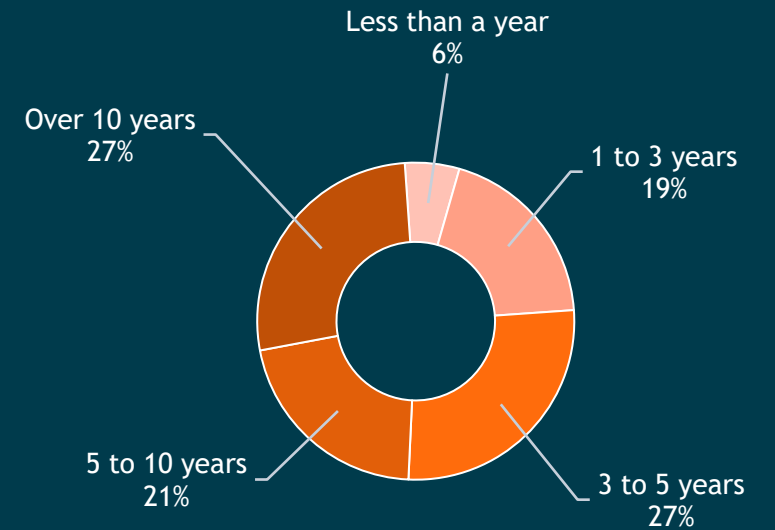
427 Respondents

87% European

Personally, what is the scope of your role?
(Tick all that apply)



How many years has your L&D team been using Learning Technology?





Digital Learning Realities 2023

#1 L&D Priorities, Strategy and Execution in an Economic Downturn

Digital Learning Realities 2023

L&D Priorities, Strategy and Execution in an Economic Downturn

Compliance continues to lead L&D priorities for 2023

Whether we like it or not, annual compliance training is the No. 1 driver of learning activity.

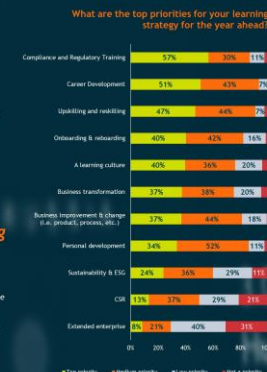
57% of our research participants highlight compliance and regulatory training as their top priority for the year ahead.

Compliance training is changing; progressive learning teams are looking to increase its efficiency and effectiveness by using adaptive, spaced, scenario-based learning techniques.

Career development, reskilling and upskilling are top strategic priorities

Despite the challenges of the global economy, the availability of talent continues to be a critical theme for L&D teams in 2023. This is shown by career development, and upskilling and reskilling featuring in the top three priorities for learning for the year ahead.

But are L&D teams really set up to power skills and careers? Less than 20% strongly agree they are investing enough in skills development.



Only 24% have ESG as a top priority

ESG is still not a critical L&D priority

Despite the accelerating realities of climate change, sustainability and ESG languishes well down the priority list for L&D Teams. But the true scale of adaption to climate and wider ESG drivers could be being masked within business transformation and upskilling initiatives.

These may be more representative indicators of L&D contributing to responding to climate change - but the low priority for ESG should be a cause for concern.

Despite being strategic priorities, L&D teams still struggle to be very effective at career and skills development

Both upskilling and career development are well down the order of things L&D teams do effectively. They are well behind compliance, personal development, onboarding, and learning culture.

Only around 10% of L&D believe their strategy is very effective at delivering career development and upskilling compared to 46% who believe their strategies are effective for compliance training.

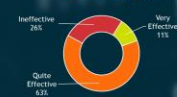
The TOP 3 learning strategies rated as VERY EFFECTIVE



How effective is your learning strategy at delivering learning for upskilling and reskilling?



How effective is your learning strategy at delivering learning for career development?



Measuring impact and value-add to business performance and productivity remains a major and systemic issue for L&D teams. Less than 1 in 4 have a very advanced approach.

With over 75% making little progress around measuring impact and value add, L&D's place as a strategic partner for its organisation remains a risk - especially when building the business case for optimal investment in the organisation's people development. In a data driven world, not being able to demonstrate and report business impact on performance and productivity needs to be resolved as a priority.

How advanced is your L&D function in executing the following:



YOUR VIEW...

What were your top 3 learning priorities for your organisation over the last 12 months?

i.e. skills, compliance, learning culture, transformation, ESG...

In the chat...

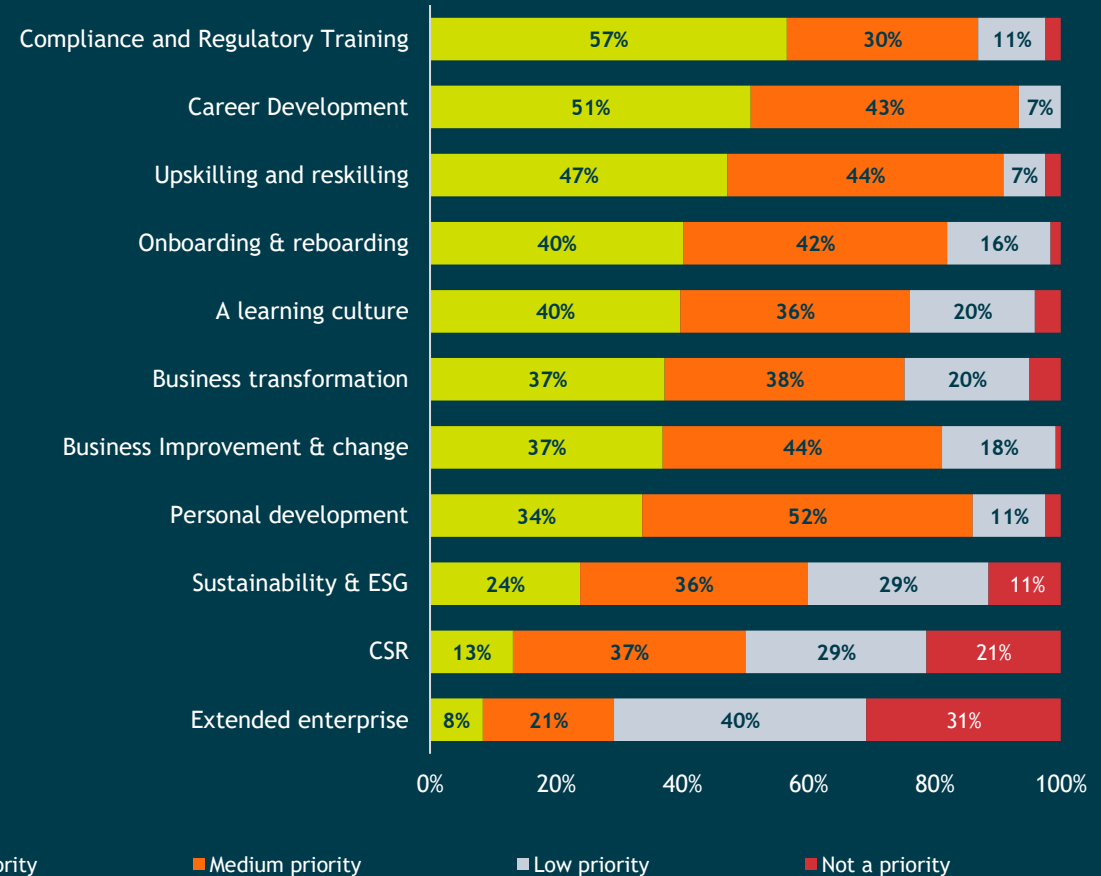


Career development, reskilling and upskilling are top strategic priorities

Despite the challenges of the global economy, the availability of talent continues to be a critical theme for L&D teams in 2023. This is shown by both career development and, upskilling and reskilling featuring in the top three priorities for learning for the year ahead.

But are L&D teams ready to power skills and careers? The evidence from this research is not strong that they are. Less than 20% strongly agree they are investing enough in skills development.

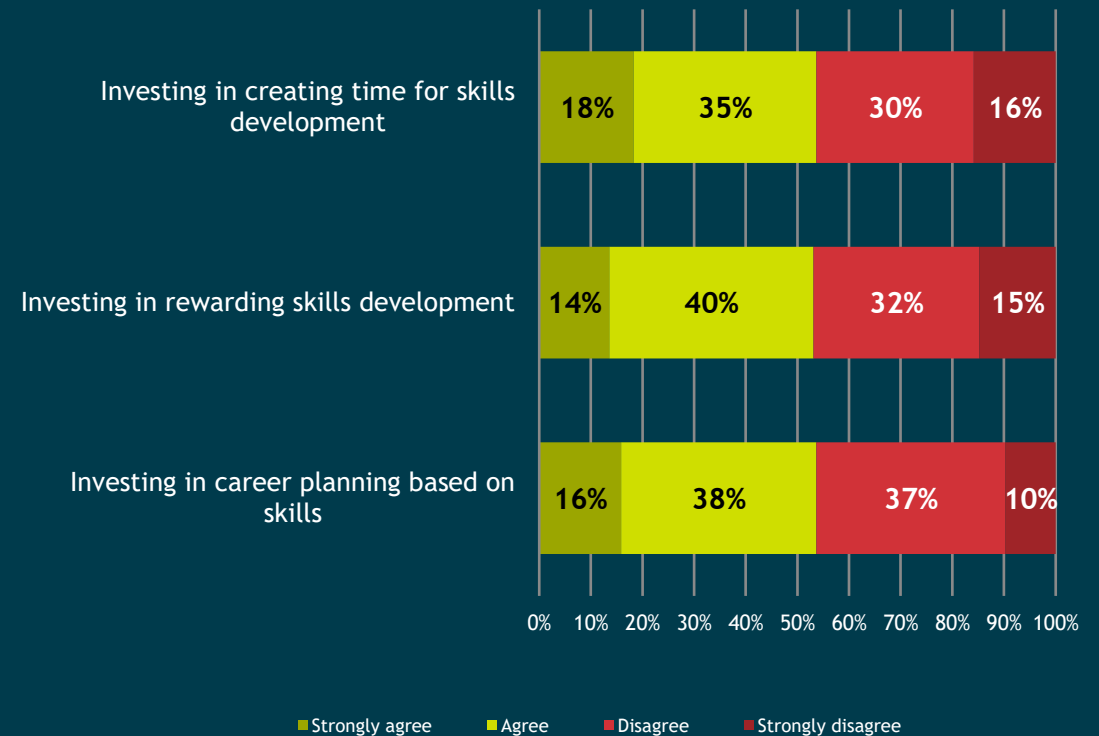
What are the top priorities for your learning strategy for the year ahead?



Only half of organisations agree they are leaders in developing skills

Whether it is for investing in creating time for skills development or rewarding skills development or investing in career planning based on skills - typically only around 50% agree they do this well, and less than 1 in 5 would **strongly agree** they support skills building. At a time when talent retention and acquisition is so tough, many organisations are not taking skills seriously enough.

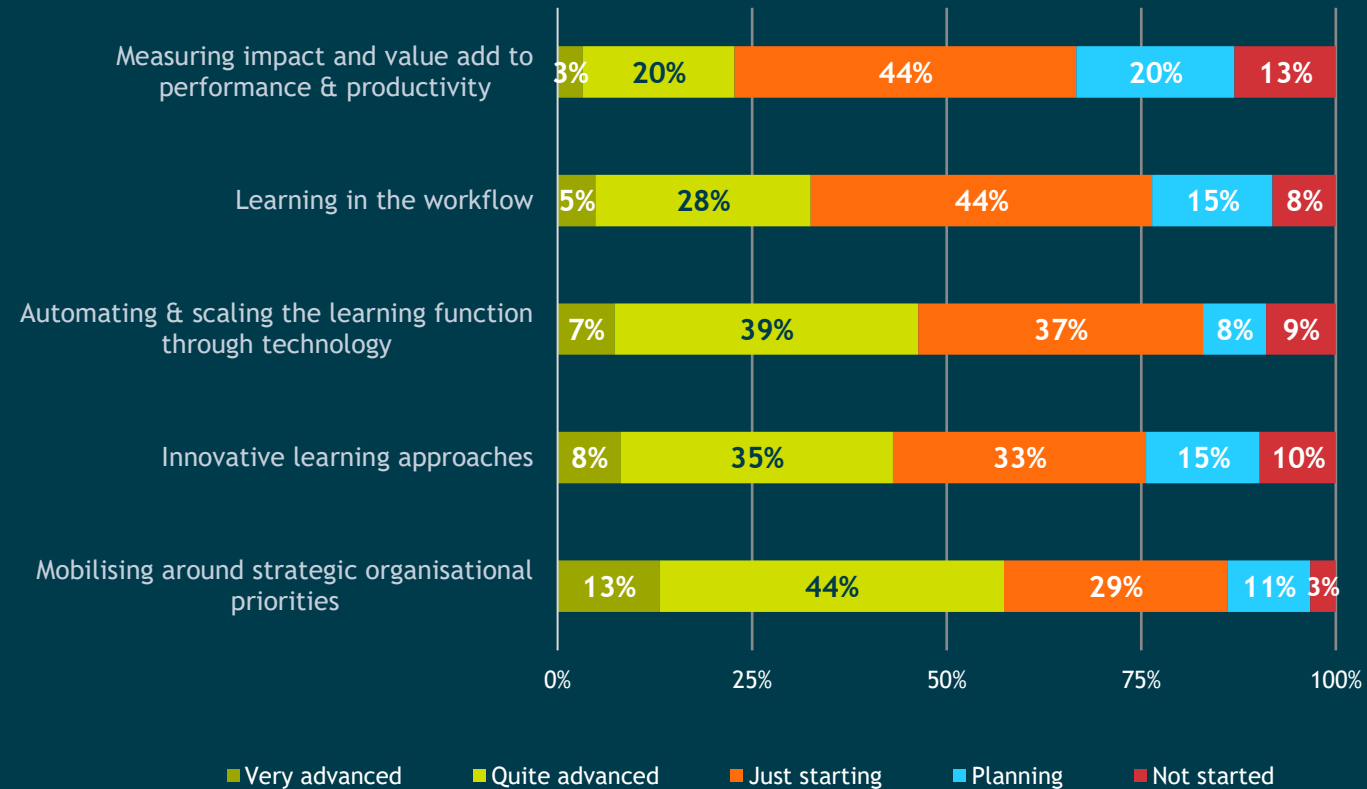
How much do you think your organisation is an industry leader in the following areas:



Measuring impact and value-add to business performance and productivity remains as major issue for L&D teams

With over 75% making little progress around measuring impact and value add, the issues for L&D's place as a strategic partner for its organisation remains an issue and a risk - especially in building the business case for optimal investment in organisations people development. In an increasingly data driven world not being able to report business impact on performance and productivity needs to be resolved with growing urgency.

How advanced is your L&D function in executing the following:



YOUR REFLECTIONS & EXPERIENCES

What's are you seeing - that's help people move the dial from being just starting to becoming advanced in measuring impact and showing value?

What sorts of techniques, frameworks or approaches help the most?



Digital Learning Realities 2023

#2 Corporate Learning Budgets in an Economic Downturn

Digital Learning Realities 2023

Corporate Learning Budgets in an Economic Downturn

L&D budgets are feeling the biggest pinch since we started the survey in 2016

Belts have been tightening this year but not all L&D teams have seen their budgets come under scrutiny. Compared with 2022, the number of L&D teams who expected to have their overall budget decrease has risen from 8% to 21%. And those expecting to see increased budgets has shrunk by over 10%.



Uncertainty has impacted the timing of L&D spending on learning projects

Over 1 in 3 had stopped or delayed new digital learning projects so far in 2023.

On a positive note, for the majority it's business as usual and we have seen some positive momentum behind those accelerating investment in recent months.

Overall, is the economic climate causing you to delay your investment in new digital learning projects or solutions in 2023?



2X

C-Suite support is critical in protecting L&D budgets

Organisations where their executive team believes learning and people development are central to success are almost twice as likely to have seen their L&D budget grow in 2023.



Does your C-Suite see learning and people development as central to the success of your organisation?

<45%

of L&D professionals say that their C-Suite see learning and development as central to the future success of their organisation

This is remarkably consistent with 2022 results. We should be concerned that most L&D teams still haven't been able to place learning at the heart of their organisation strategy - despite the ongoing war for talent and skills shortages.

3X

C-Suite support is key for accelerating investment in new digital learning projects

Organisations where their executives believe learning and people development are central to success are almost three times more likely to accelerate their investment in new digital learning projects.

Corporate investment in digital learning continues to grow despite challenges for overall L&D budgets

How do you expect your investment in digital learning to change over the year ahead?



YOUR VIEW...

What have you done in the last year that had the greatest impact on your investment and budget?

*i.e. who have you partnered with, sought investment from, influenced you budget?
Or didn't you have an influencing approach?*

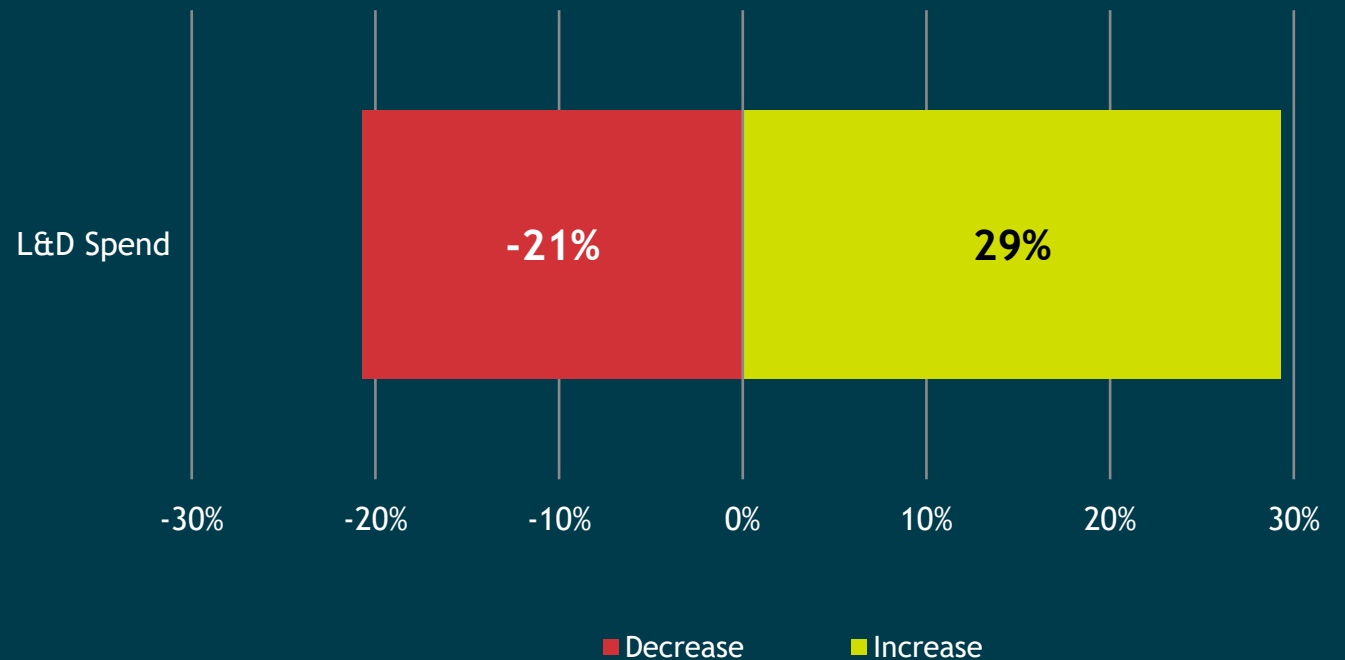
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Compared to 2022, the number of L&D team who expected to have their overall budget decrease has risen from 8% to 21%. And those expecting to see increased budgets has shrunk by over 10%. Belts have been tightening this year but not all L&D Teams have seen their budgets come under scrutiny.

How will your organisation's overall spend on L&D change this year?



2X

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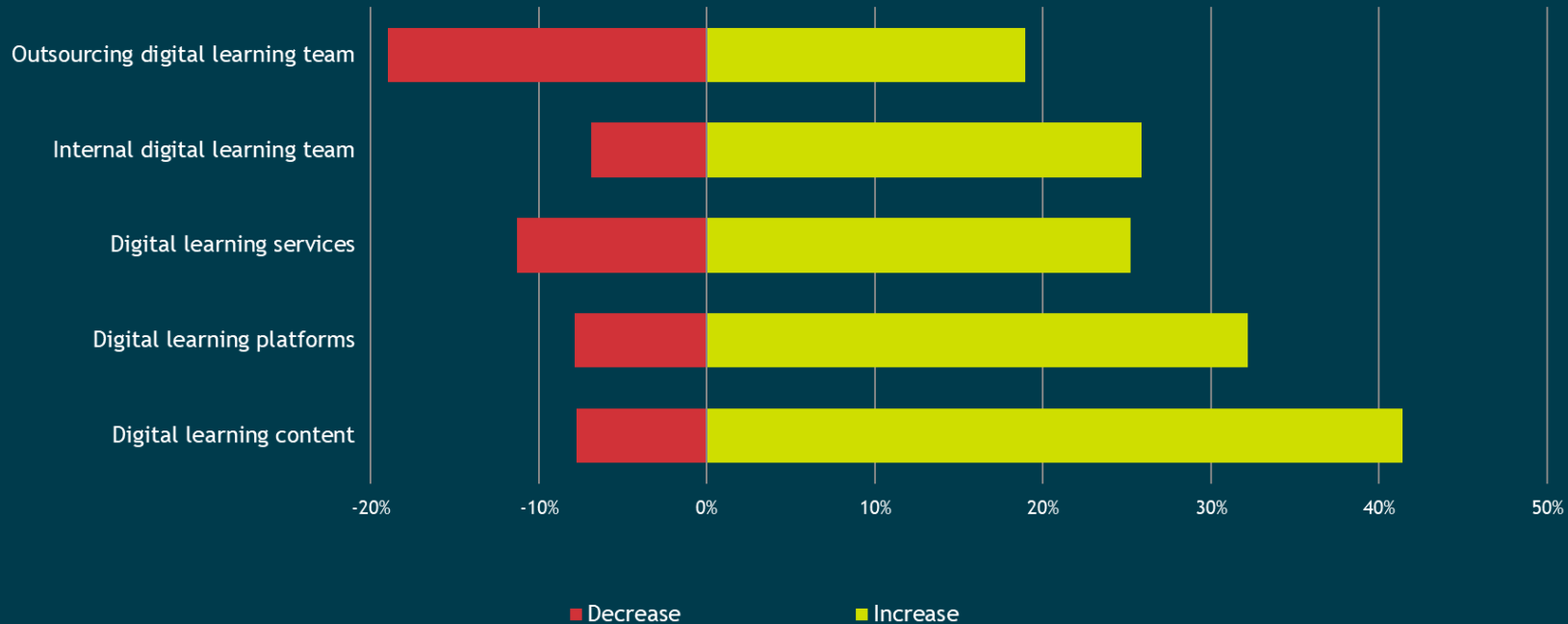
3X

C-Suite support is key for accelerating investment in new digital learning projects

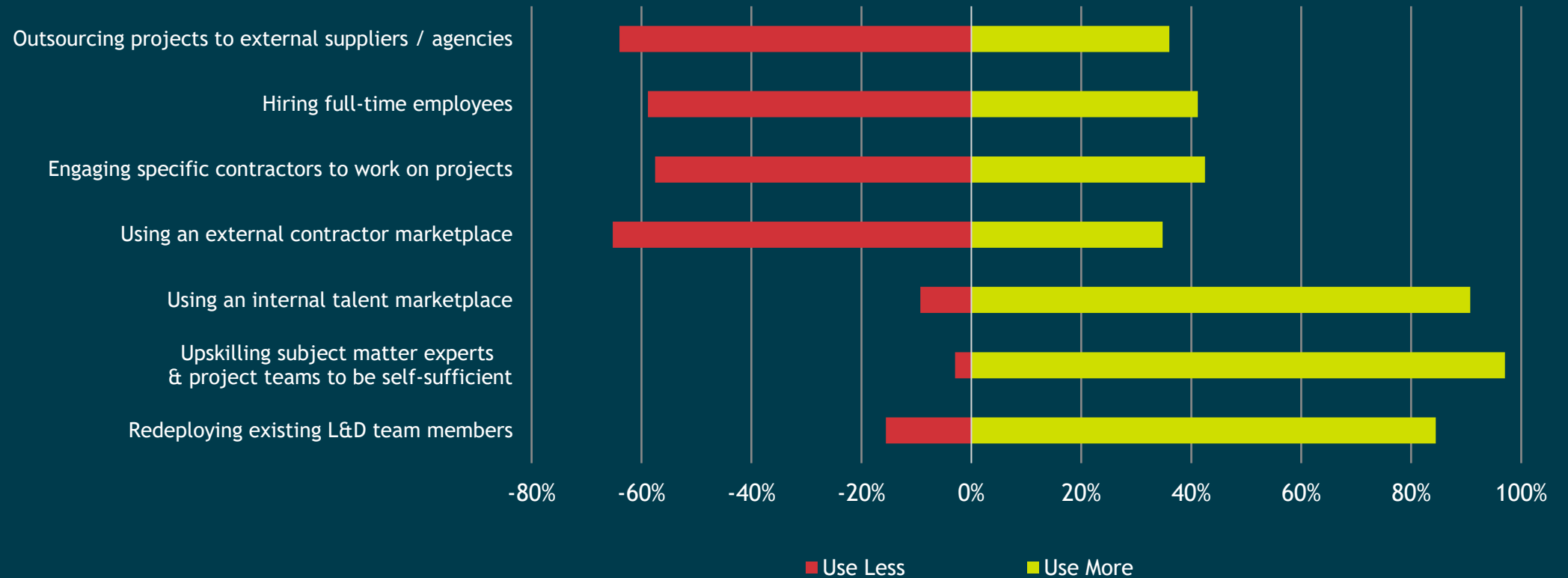
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Corporate investment in digital learning continues to grow despite challenges for overall L&D budgets

How do you expect your investment in digital learning to change over the year ahead?



How are you planning to resource L&D projects in the year ahead?



YOUR REFLECTIONS & EXPERIENCES

Are you seeing a shift to more internal resourcing approaches?
What challenges does this present?
How do you make the most of the opportunity?



Digital Learning Realities 2023

#3 Learning Technology Maturity in the Digital Era



Digital Learning Realities 2023 Learning Technology Maturity

Learning technology has still to deliver a consumer grade learner experience for the majority of buyers

With around half of all organisations saying their learning platforms are not fit for the modern workforce, most organisations still have a problem with their learning technology. This is driven by the range and quality of learning experiences that solutions can support.

There are also problems with L&D teams' learning technology resourcing: it is often too low and not scalable. Combined, these issues mean many find it hard to deploy learning technology effectively.

There is still an over reliance on static e-learning content and insufficient investment in human-centred collaborative learning. It's therefore not surprising that so many have an issue with digital learning fatigue. Only 18% say digital learning fatigue is less of a problem for them than previously.

Do you think your current learning platforms are fit for the modern workforce?



How much is 'digital learning fatigue' becoming an issue for your learners?



How mature are L&D Teams at using technology to manage the learning experience?

The majority L&D teams have a basic approach to performance, development planning, skills, career development and adaptive learning

Most L&D teams rate their management of learning as basic. More advanced approaches are in the use of technology for blended learning and structured learning programmes. But it's the connection of learning into work and into performance, career and skills development that are often the least developed.

This weakness is particularly true for performance management, which is potentially one of the most significant issues for less mature learning teams. This is frequently an excellent way for L&D teams to evidence learning's impact and value-add to individuals, as well as bottom-line contribution to organisational performance.

How advanced is your use of technology for managing learning?



The maturity of technology enabled delivery is still low: Virtual classrooms and assessments are the only technologies where adoption is likely to be advanced

73% feel they are intermediate or advanced with their delivery of learning via virtual classrooms. In all other respects, from social learning, to performance support, spaced repetition, search, immersive learning and mobile, learning delivery is basic.

That is true even for many organisations that have been adopting digital learning for 5+ years. Progress in adoption of virtual classrooms shouldn't surprise us, as instructor led classrooms are very familiar. That we have been unable to rethink learning more significantly should be a cause for concern.

The emerging influence of chat-powered AI has yet to break through into the mainstream. Only 25 saying they are advanced in applying chatbot technology as part of their learning delivery.

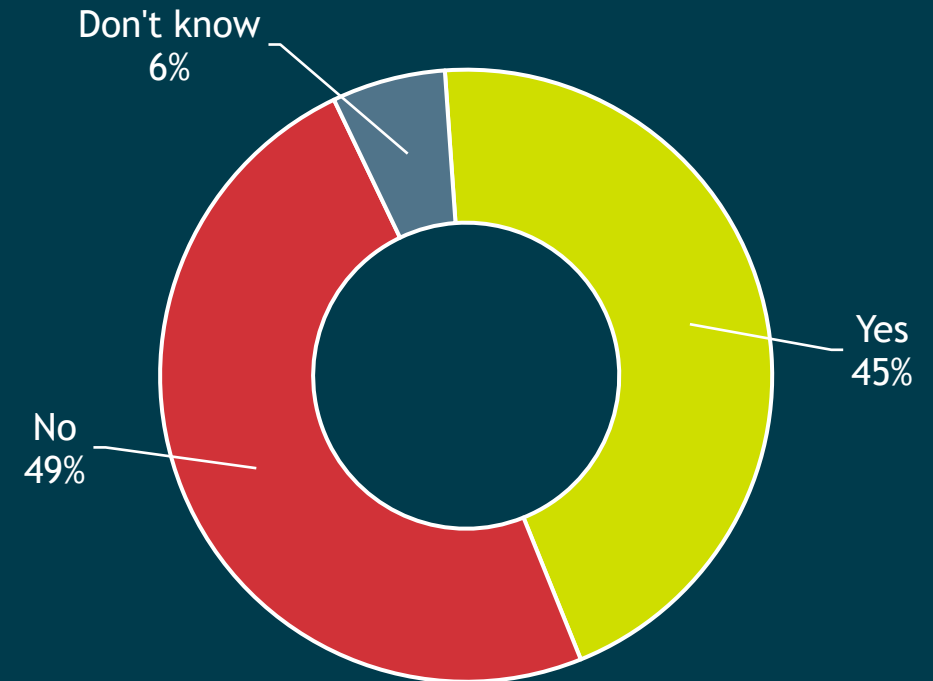
How advanced is your use of technology to support learning delivery?



Learning Technology has still to deliver a consumer grade learner experience for the majority of buyers

With around half of all organisations saying their learning platforms are not fit for the modern workforce, most organisations have a problem with their learning technology. This dissatisfaction is driven by the quality of the learning experience and the range of learning experiences solutions can support. In addition to this there are also problems with L&D team's learning technology resourcing is often too low and that resourcing is often not scalable. These issue combined mean that many find it hard adopt learning technology effectively.

Do you think your current learning platforms are fit for the modern workforce?



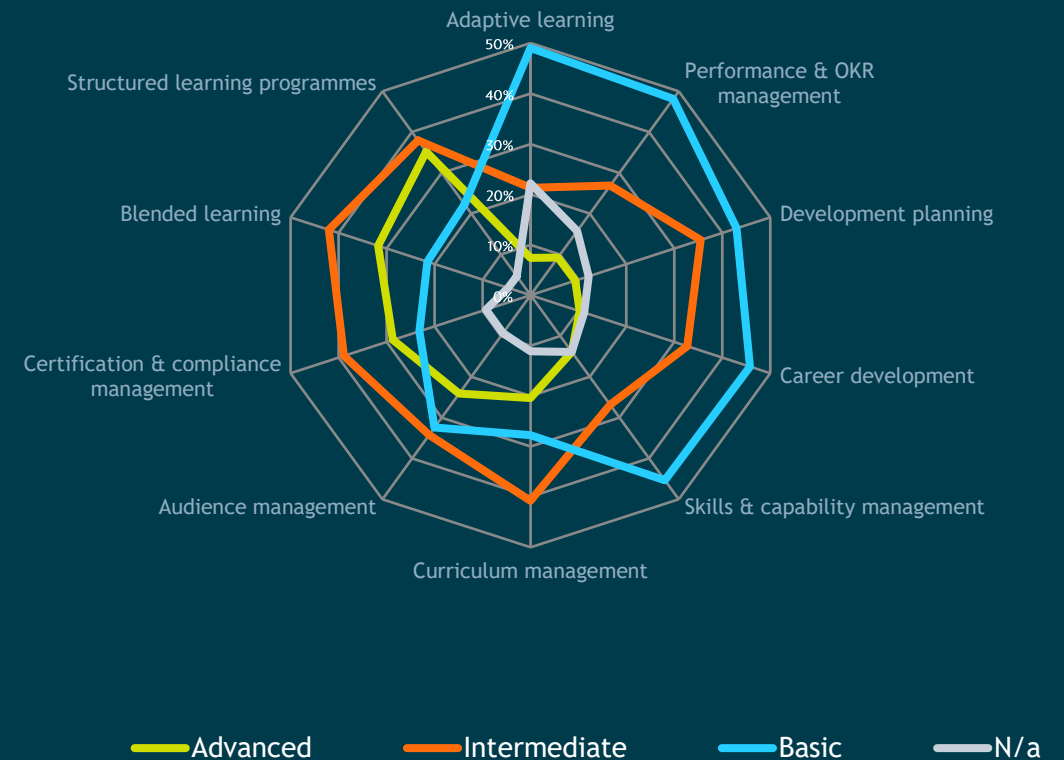
2X

Organisations using 'Best of Breed' learning platforms are almost twice as likely to say their solution is 'fit for the modern workforce' than those using a learning module in an HR Suite.

Most L&D teams have a basic approach to performance, development planning, skills, career development and adaptive learning

The majority of L&D teams rate their management of learning as basic. The approaches that are more advanced are in the use of technology for blended learning and structured learning programmes. But, it's the connection of learning into performance management, OKRs, career and skills development that is often the least developed for managing learning. This weakness particularly for performance management is potentially one of the most significant issues for less mature learning teams, because this is frequently an excellent way for L&D teams to evidence learning's value-add to individuals, and the bottom-line contribution to organisational performance.

How advanced is your use of technology for managing learning?



YOUR REFLECTIONS & EXPERIENCES

What does a 'fit for the modern workforce' learning product set look like?
What do we need to do to improve learning experiences?

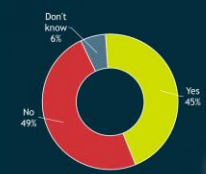


Digital Learning Realities 2023

#5 The Shifting Learning Technology Landscape

Digital Learning Realities 2023 The Shifting Learning Technology Landscape

Do you think your current learning platforms are fit for the modern workforce?



Only 45% think their learning platforms are fit for the modern workforce

In 2022 the numbers were almost identical. Another year has passed, and the needle has stayed the same. What's more damning is that nearly 50% say their learning systems are NOT fit for their workforce.

As we look out to 2024, there is little to suggest this picture will change. Learning Experience Platforms (LXP), which in some cases are approaching 9 years old, have failed to change this picture. For all their promises, they have not kept up with expectations, and as we look out to 2025, it's the innovations in skills, talent mobility, adaptive learning and AI which may help resolve this mismatch for the modern workforce.

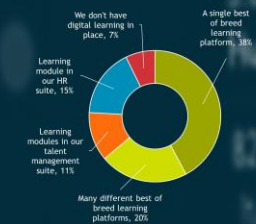
'Best of breed' learning platforms dominate the learning technology landscape

Despite increasing focus on learning and skills from the leading HCM vendors, only 15% of organisations are using the learning module in their HR or HCM platforms with a further 11% using the learning module of their talent management suite.

The majority, 58%, are still using a best of breed or multiple best of breed learning systems to manage and support learning.

However ...

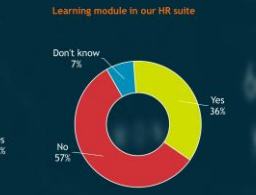
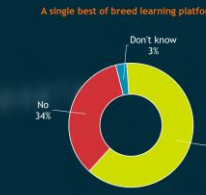
How does learning in your organisation fit with the rest of your HR technology infrastructure?



2X

Organisations using 'Best of Breed' learning platforms are almost twice as likely to say their solution is 'fit for the modern workforce' than those using a learning module from an HR Suite.

Do you think your current learning platforms are fit for the modern workforce?



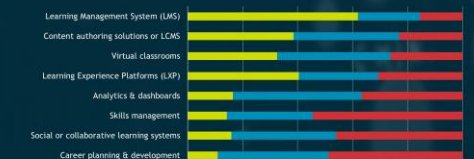
Except for LMSs, learning platforms remain fragmented across organisations with limited standardisation

Typically, less than 40% have a very standardised learning technology architecture. This means there is room for efficiencies and cost savings through learning system consolidation and rationalisation.

The lack of standardisation around skills should also be a cause of concern. As we highlighted in previous infographics from this year's survey, skills is a top strategic priority for learning teams. This lack of standardisation is not only an obstacle for skills development, but also a significant barrier to delivering an effective employee experience across career development, internal talent mobility, strategic workforce planning and skills development.

As organisations shift to being skills based, the lack of consistency has become more of a headache for L&D teams.

How standardised are the digital learning platforms across your organisation?



YOUR VIEW...

Where do you think your digital learning investment should be focused over the next 2 years?

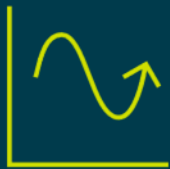
In the chat...



‘How do you expect your demand for digital learning platforms to change in the future?’

Respondents who expect to ‘USE MORE’

83%



Analytics

75%



Skills
management

74%



Social &
collaborative
learning

68%



Career
development

61%

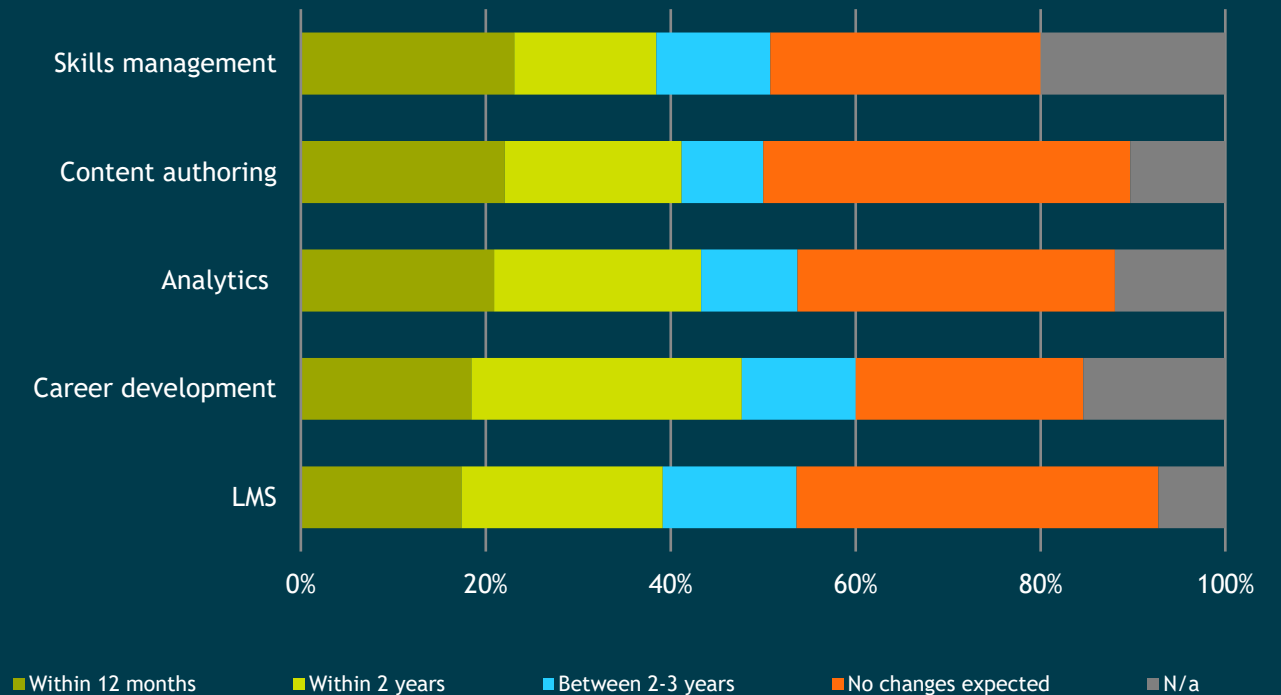


Content
Authoring

When do you intend to change your learning platforms in the future?

Between 40-45% expect to change these solutions within 2 years

There is the prospect of some major shifts in corporate learning platforms as a significant proportion of analytics, skills, career development and content authoring platforms within the next 2 years. This includes LMS platforms. As we look out to 2025 the solution landscape is likely to change considerably as buyers look to embrace a more holistic view of learning, performance, talent mobility, career and strategic skills development.



Digital Learning Realities 2023

What's next...

#6 AI in Learning

- a bonus infographic for December

Digital Learning Realities 2023

L&D Priorities, Strategy and Execution in an Economic Downturn

Compliance continues to lead L&D priorities for 2023

Whether we like it or not, annual compliance training is the No. 1 driver of learning activity. 57% of our research participants highlight compliance and regulatory training as their top priority for the year ahead. Compliance training is changing as learning teams are looking for efficiency and efficiency and efficiency, spaced, scenarios.



Career development, reskilling and upskilling are top strategic priorities

Despite the challenges of the global economy, the availability of talent continues to be a critical theme for L&D teams in 2023. This is shown by career development, and upskilling and reskilling training in the top three priorities for learning for the year ahead. But are L&D teams really set up to power skills and careers? Less than 20% strongly agree they are investing enough in skills development.

Only 24% of L&D teams have ESG as a top priority. Despite the accelerating realities of climate change, sustainability and ESG languishes well down the priority list for L&D Teams. But the true scale of adaptation to climate and wider ESG drivers could be being masked within business transformation and upskilling initiatives. These may be more representative indicators of L&D contributing to responding to climate change - but the low priority for ESG should be a cause for concern.

Despite being strategic priorities, L&D teams struggle to be very effective at career and skills development

Both upskilling and career development are well down the order of things L&D teams do effectively. They are well behind compliance, personal development, onboarding, and learning. Only around 10% of L&D believe their strategies are effectively delivering career development and upskilling. Less than 10% believe their strategies are effective.



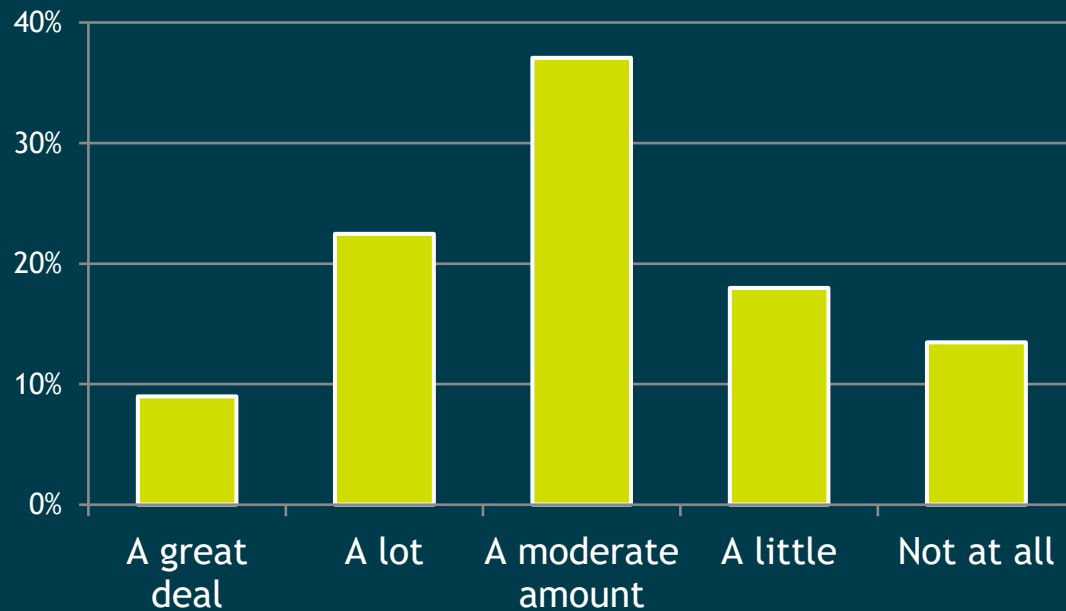
Measuring impact and value-add to business performance and productivity remains a major and systemic issue for L&D teams. Less than 1 in 4 have a very advanced approach.

With over 75% making little progress around measuring impact and value add, L&D's place as a strategic partner for its organisation remains a risk - especially when building the business case for optimal investment in the organisation's people development. In a data driven world, not being able to demonstrate and report business impact on performance and productivity needs to be resolved as a priority.

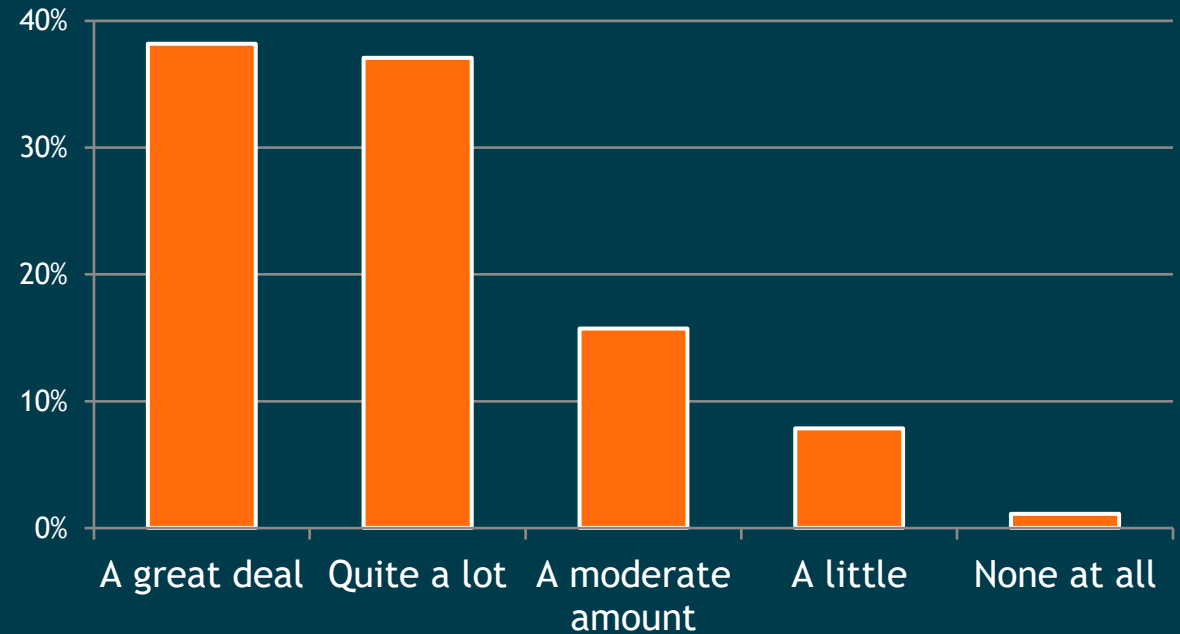


Current impact is moderate, but expectations are high

How much is AI impacting your L&D function today?



How much impact do you think AI will have on your L&D function in a year's time?



YOUR VIEW...

Is AI going to change everything?

HOW?

WHEN?

WHERE?

Learning Operations

Learning Production

Learning Needs

Learning Experiences

Learning Analytics

WHY?

WHAT?

In the chat...



What should you do in 2024 to be outrageously successful?

QUESTIONS?

Thank you.

Download ALL the infographics :

www.fosway.com/research/next-gen-learning/digital-learning-realities-2023

Digital Learning Realities 2023

Skills and Success with Upskilling, Cross-skilling and Reskilling

Compliance continues to lead L&D priorities for 2023

What are the top priorities for your learning strategy for the year ahead?

Career development, reskilling and upskilling are top strategic priorities

Only 24% have ESG as a top priority

L&D teams struggle to be very effective at career and skills development, despite its strategic priority

TOP 3 L&D learning strategies valued as MOST EFFECTIVE

Measuring impact and valuing it to business performance and productivity remains a major and systemic issue for L&D teams. Less than 1 in 4 have a very advanced approach.

How advanced is your L&D function in executing the following:

The lack of maturity across the learning experience cycle is critical weakness for most organisations

Only 26% have a very advanced approach to career and skills development, despite its strategic priority

Only 28% have a very advanced approach to career and skills development, despite its strategic priority

Only 16% have a very advanced approach to career and skills development, despite its strategic priority

Digital Learning Realities 2023

Skills and Success with Upskilling, Cross-skilling and Reskilling

71% say skills is a high priority

How much of a priority is building skills/becoming to the future/becoming to the future/becoming to the future?

What are the top priorities for your learning strategy for the year ahead?

80% of organisations report a significant skills gaps

Overall, how significant are skills gaps in your organisation today?

Despite the priority for skills and career development, L&D Teams struggle to do this very effectively.

Only half of organisations agree they are industry leaders in developing skills

It's not just technical skills that are a priority, people skills are seen as equally important

Formal training and face to face events are seen as having the biggest impact on skills gaps

Digital Learning Realities 2023

Learning Technology Maturity

Learning Technology has still to deliver a consumer grade learner experience for the majority of buyers

How mature are L&D Teams at using technology to managing learning and the learning experience?

Most L&D teams have a basic approach to performance, development planning, skills, career development and relative learning.

How advanced is your use of technology for managing learning?

Virtual classrooms and assessment are the only technologies where adoption is likely to be advanced

How advanced is your use of technology to support learning delivery?

Traditional e-learning content dominates learning content, and this is impacting the quality of learning experience provided to most learners

How advanced is your use of technology for content creation, content and content management?

Digital Learning Realities 2023

Corporate Learning budgets in an economic downturn

L&D budgets are feeling the pinch since we started the survey in 2016

Uncertainty has also impacted the timing of L&D spending on learning projects

2X C-suite support is critical in protecting L&D budgets

<45% of L&D professionals say that their C-Suite sees learning and development as central to the future success of their organisation

3X C-suite support is key for accelerating investment in new digital learning projects

Corporate investment in digital learning continues to grow despite challenges for overall L&D budgets

L&D leaders are increasingly looking to upskill projects teams and Subject Matter Experts to enable them to be more self-sufficient and retooling existing L&D team members when resourcing L&D projects

How do you plan to resource L&D projects in the year ahead?

The commoditization of e-learning content

Digital Learning Realities 2023

The Shifting Learning Technology Landscape

Only 48% think their learning platforms are fit for the modern workforce

Best of breed learning platforms dominate the learning technology landscape

2X Organisations using 'best of breed' learning platforms are almost twice as likely to say their solution is 'fit for the modern workforce' than those using a learning module from an LMS

Except for LMSs, learning platforms remain fragmented across organisations with limited standardisation

Skills, analytics, social learning and career development lead corporate's future platform intentions

48% expect to change key systems within 2 years



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Digital Learning Realities 2023

Learning Technology Maturity

Learning technology has still to deliver a consumer grade learner experience for the majority of buyers

Do you think your current learning platforms are fit for the modern workforce?

Don't know 8%
Yes 18%
No 74%

How much is digital learning fatigue becoming an issue for your learners?

Don't know 10%
None of a problem 16%
Moderate issue 30%
Severe issue 44%

How mature are L&D Teams at using technology to manage the learning experience?

The majority L&D teams have a basic approach to performance, development planning, skills, career development and adaptive learning

Most L&D teams rate their management of learning as basic. More advanced approaches are in the use of technology for blended learning and structured learning programmes. But it's the connection of learning into work and into performance, career and skills development that are often the least developed.

How advanced is your use of technology for managing learning?



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That is true even for many organisations that have been adopting digital learning for 5+ years. Progress in adoption of virtual classrooms opportunities, in the use of AI and chatbots, are very limited. That we have been unable to realise learning more significantly should be a cause for concern.

The emerging influence of chat powered AI has yet to break through into the mainstream. Only 33 saying they are advanced in applying chatbot technology as part of their learning delivery.

How advanced is your use of technology to support learning delivery?



Traditional e-learning still dominates learning content, and this is significantly limiting the quality of learning experience provided to most learners

With an over reliance on traditional e-learning tools is the way to create content, the learning experience provided by most L&D teams has stagnated. This may be one of the most significant reasons for the ongoing challenge of digital learning fatigue that is impacting learners today. As the chart below indicates, there is a fundamental imbalance between our over reliance on traditional learning formats, and those that are more collaborative, more targeted, more personalised, more immersive and enable a better overall experience for learners.

As this is not the case of the lack of availability of other tools for traditional learning content development and delivery, it's a lack of expectation because tools that can deliver richer, more immersive, more personalised, spaced experience exist and are being deployed by leaders in corporate digital learning. Often they come with a higher price tag but the business benefits in speed, personalisation and effectiveness can be significant.

How advanced is your use of technology for content creation, curation and content management?

