



TIS2 - The learning landscape

Conference Theatre 1
70 min - 13:55 - 15:05

Transforming the Learning Team in 2024

AI, innovation and why learning will never be the same again!

David Perring - Chief Insights Officer, Fosway Group

Myles Runham - Senior Analyst, Fosway Group



David Perring
Chief Insights Officer

LinkedIn: <https://www.linkedin.com/in/davidperring/>



Myles Runham
Lead Analyst

LinkedIn: <https://www.linkedin.com/in/myles-runham/>



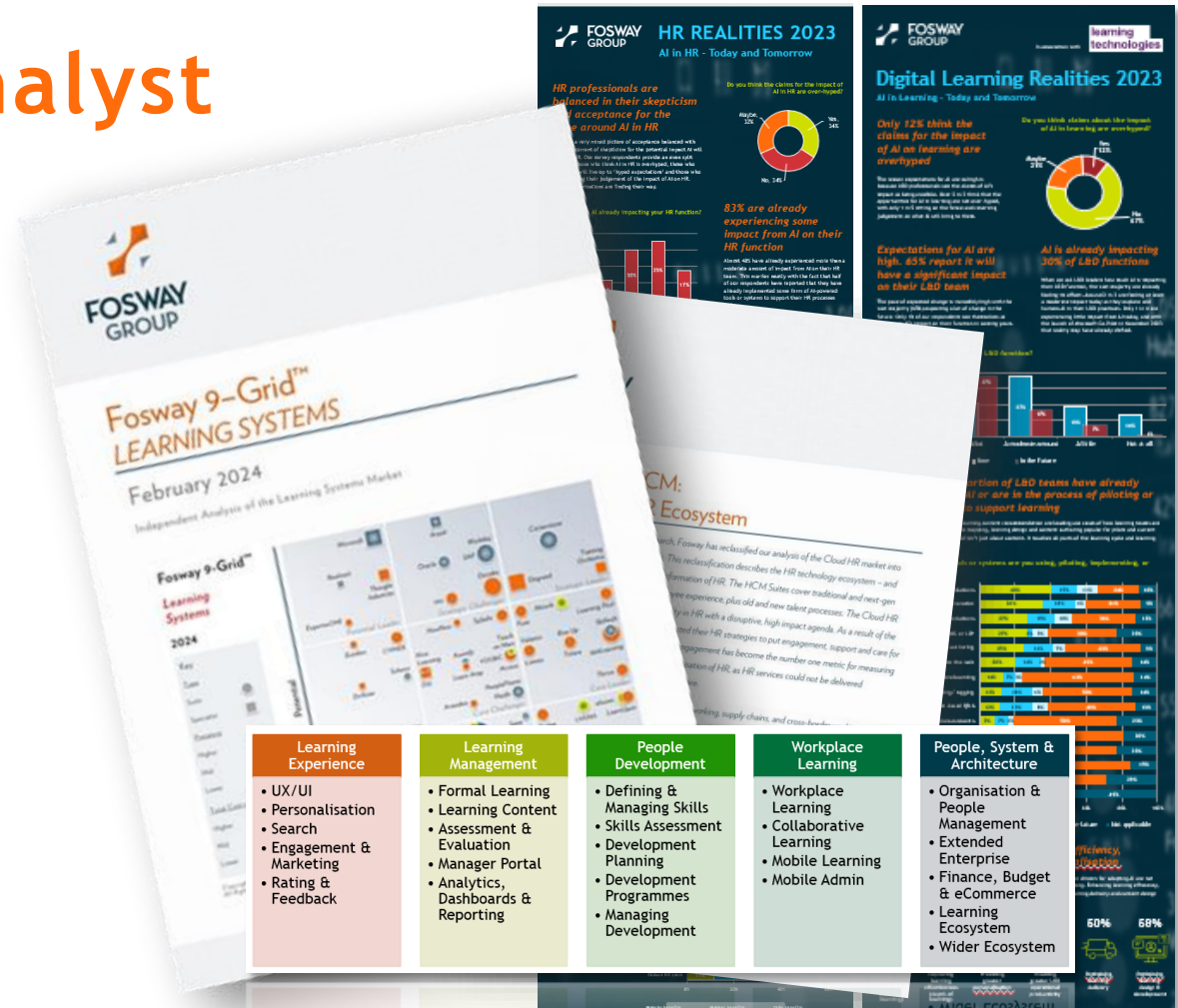
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- ▶ Fosway Corporate Membership gives you automatic booking privileges for the roundtable programme and the opportunity to book time with our analyst team



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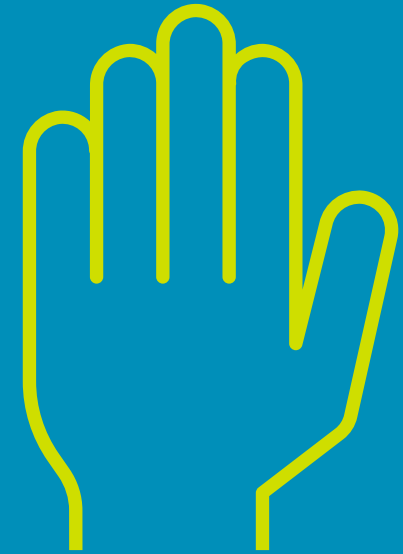
AGENDA

- ▶ Where are we now?
- ▶ How AI and innovation is transforming learning today - causes of disruption from our research and analysis
- ▶ What does it mean for your teams?
- ▶ Q&A

Where are we now?

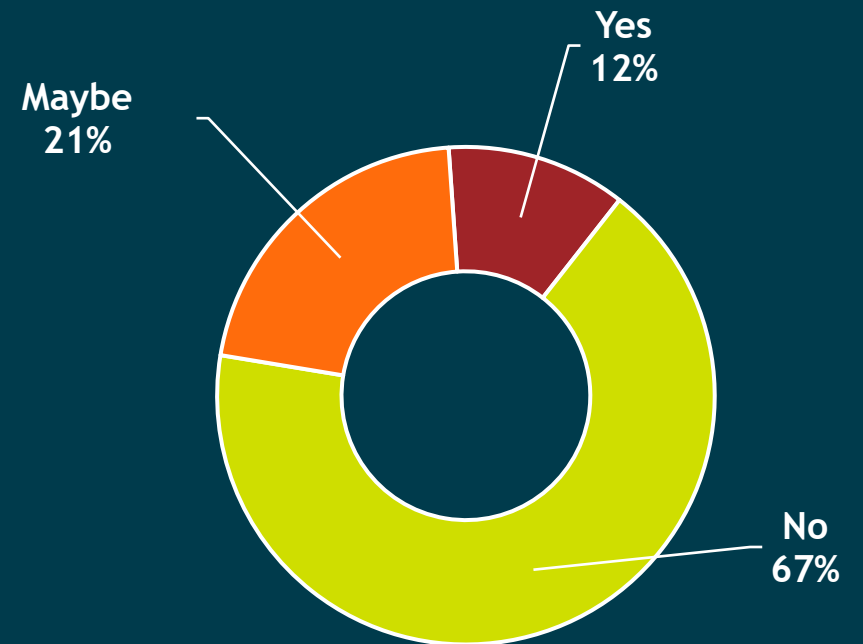
Who thinks AI in Learning is Overhyped?

Who is doing something with AI in Learning?

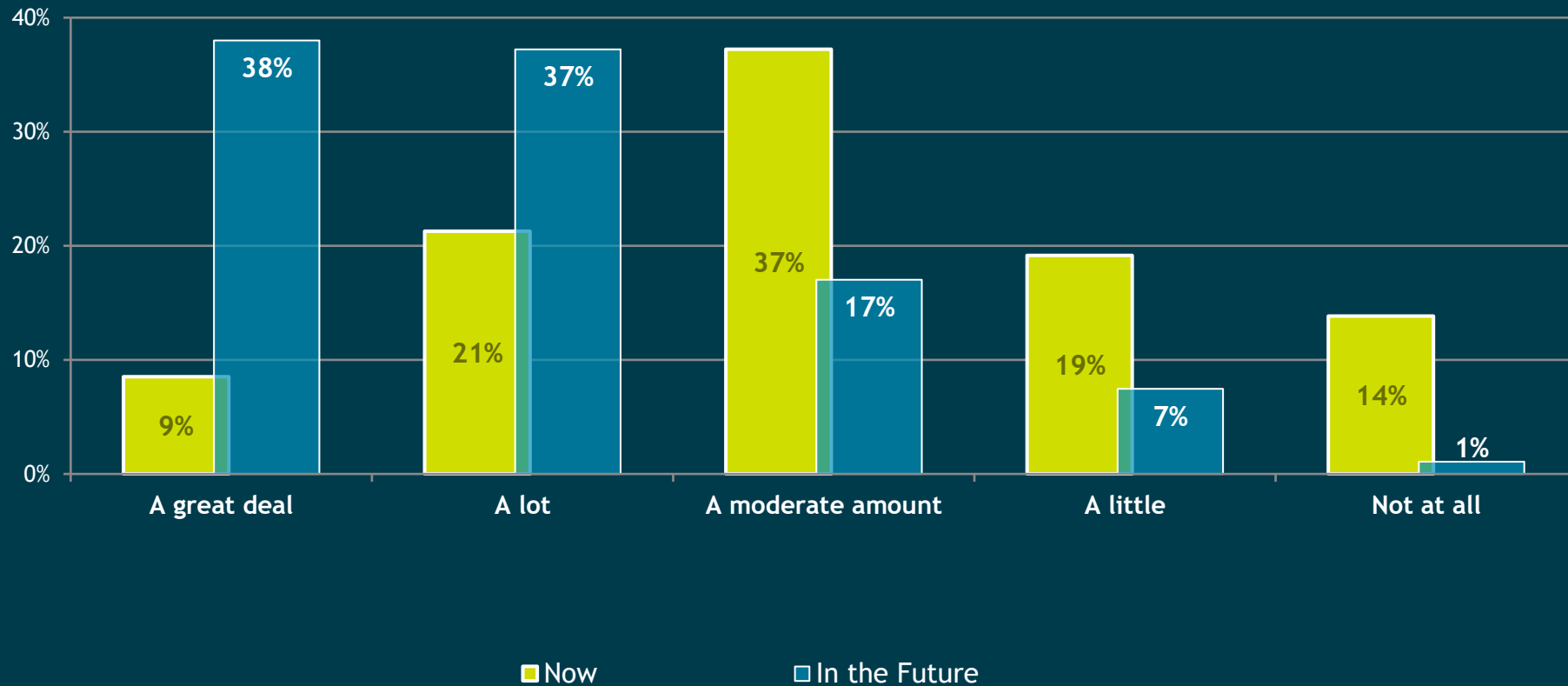


Only 12% think the claims for the impact of AI on learning are overhyped

Do you think claims about the impact of AI in learning are overhyped?



How much is AI impacting your L&D function?



The main reasons for adopting AI are efficiency, effectiveness, productivity and personalisation

72%



Enhancing
learning
efficiency
(speed of
learning)

66%



Improving
learning
effectiveness
(depth of
learning)

63%



Providing
greater
personalisation

60%



Enabling
greater L&D
operational
productivity

50%



Optimising
learning
delivery

59%



Optimising
learning
design &
development

Over 50% of learning teams see accuracy, reliability, data privacy and protection of corporate intellectual property as top concerns in adopting AI in learning

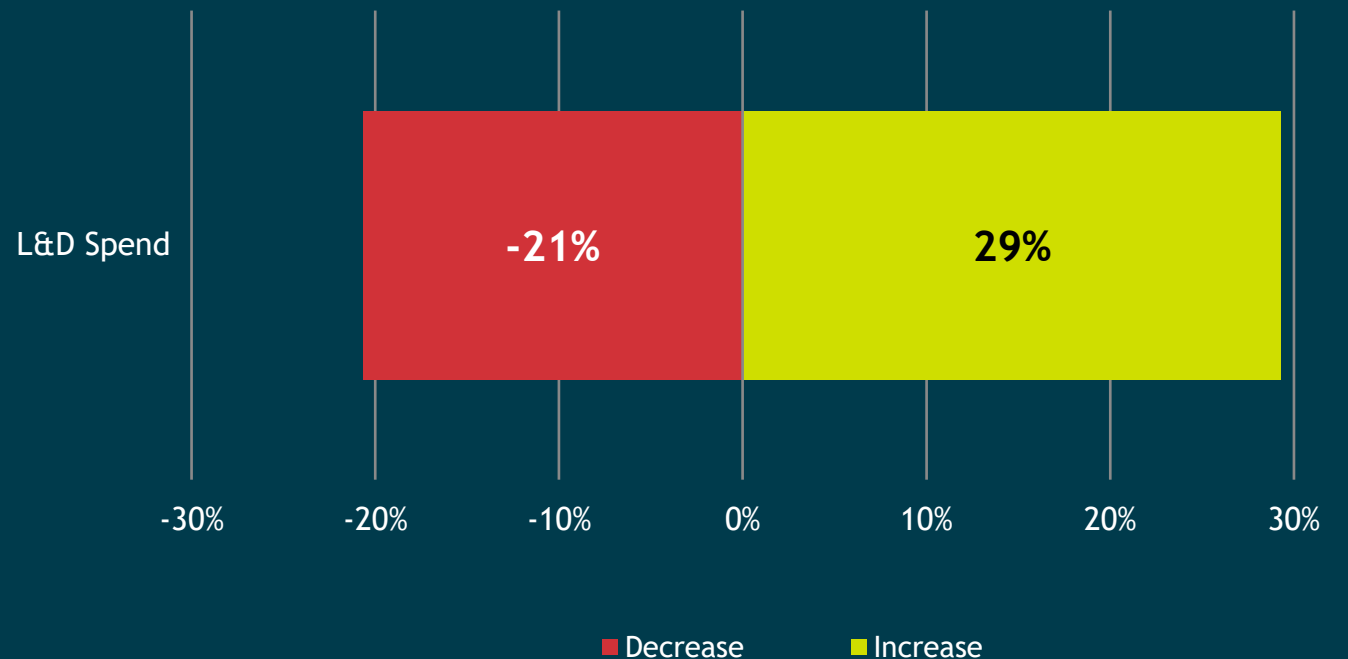
What challenges are you facing when adopting AI into your organisation's learning initiatives?



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

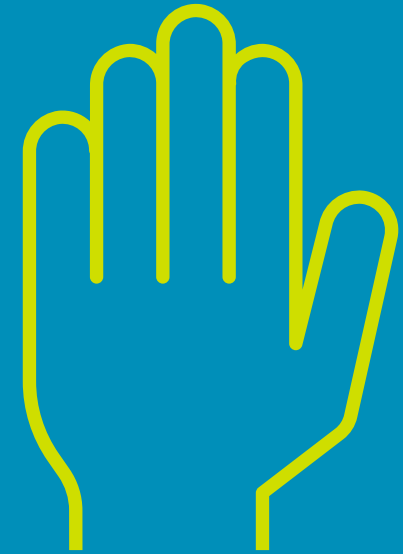
Compared to previous years, the number of L&D team who expected to have their overall budget decrease has risen from 8% to 21%. And those expecting to see increased budgets has shrunk by over 10%. Belts have been tightening this year but not all L&D Teams have seen their budgets come under scrutiny.

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



How do you feel about the impact of AI in learning today?

- Optimistic
- Pessimistic
- Uncertain



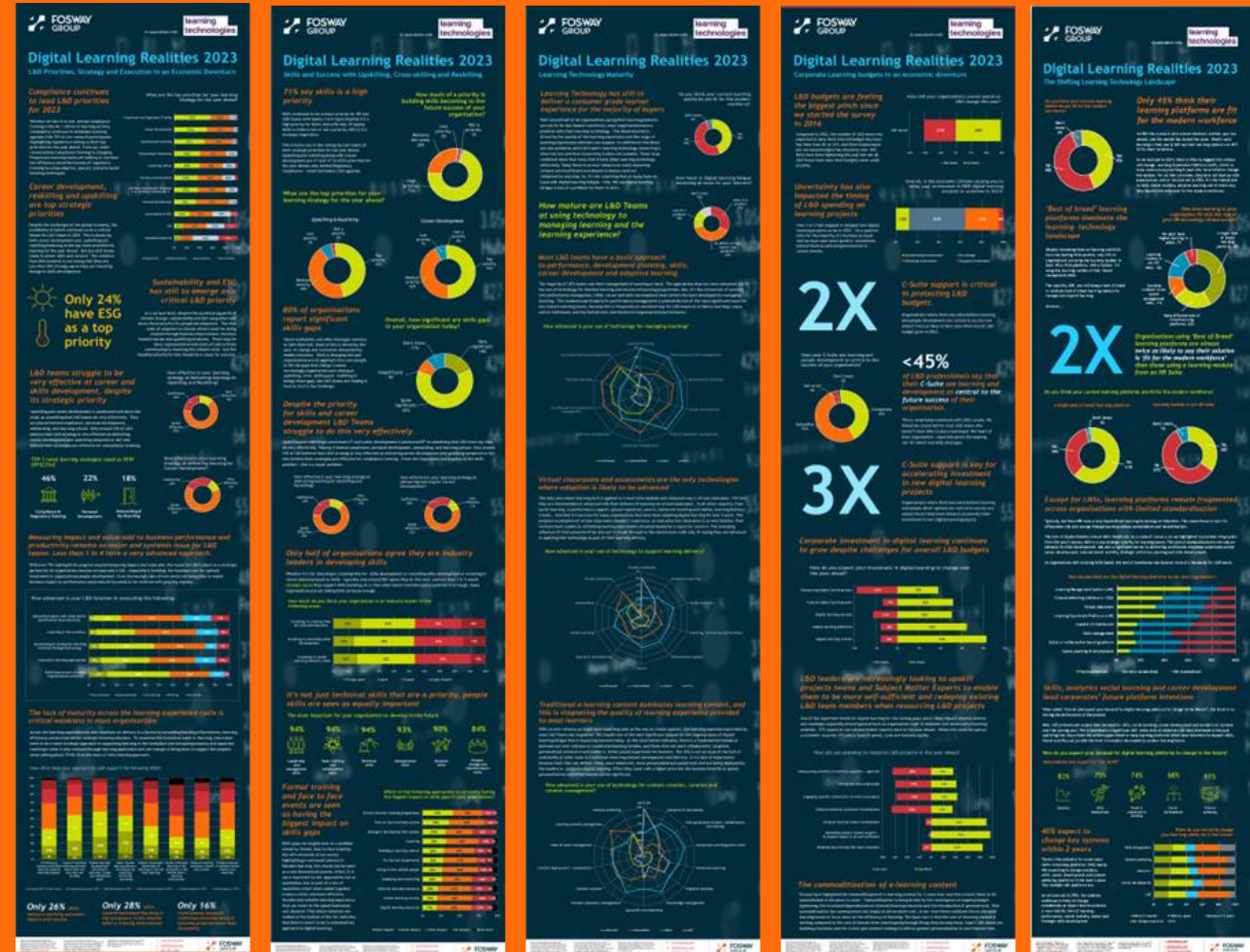
What's guiding our thinking about the future of Learning?

What we know...

What has shaped our view?

A synthesis of...

- Vendor briefings
- 150+ investigations, Roadmaps, demos for Digital Learning and Learning Systems
- Functional survey and analysis
- Corporate network roundtables
- Customer calls & conversations
- AI research - HR & DL Realities & Focus On: AI Surveys
- Corporate projects

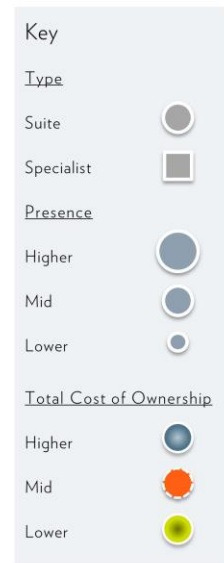


What's happening in the Digital Learning market?

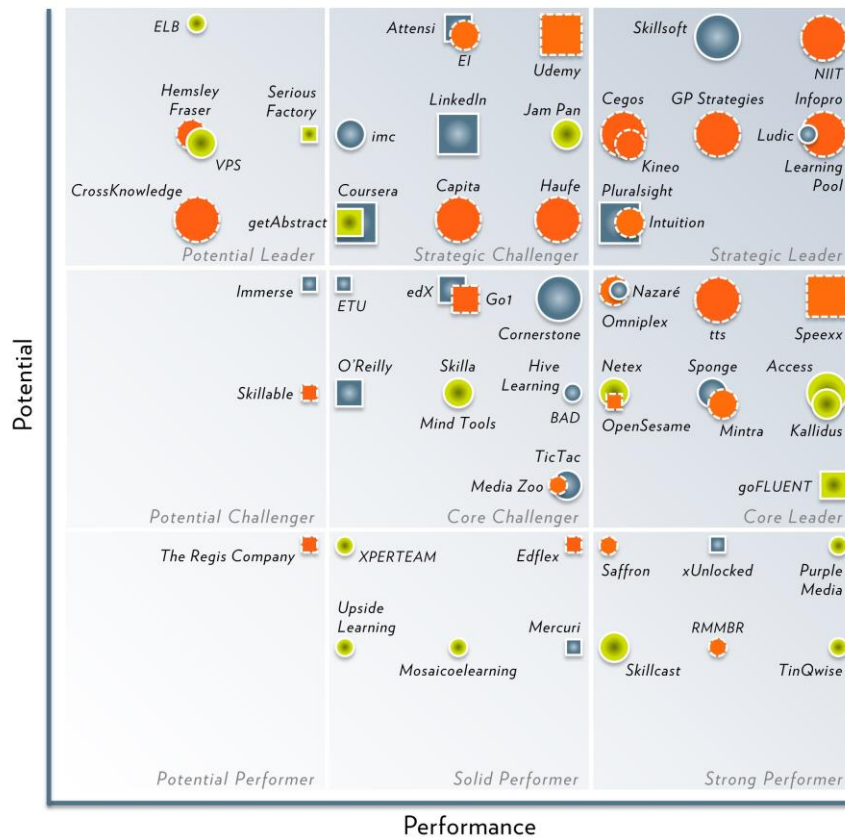
Fosway 9-Grid™

Digital Learning

2024



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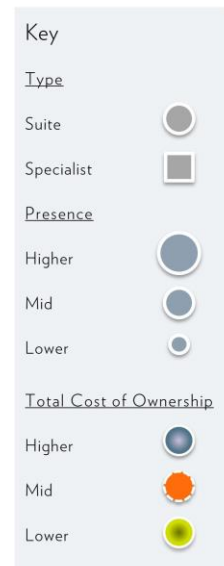
- Learning content economics are changing significantly
- eLearning is the perfect environment for the 'AI prediction engines'
- Differentiation cannot be sustained on technology alone
- Moving beyond content and diversifying

What's happening in the Learning Systems market?

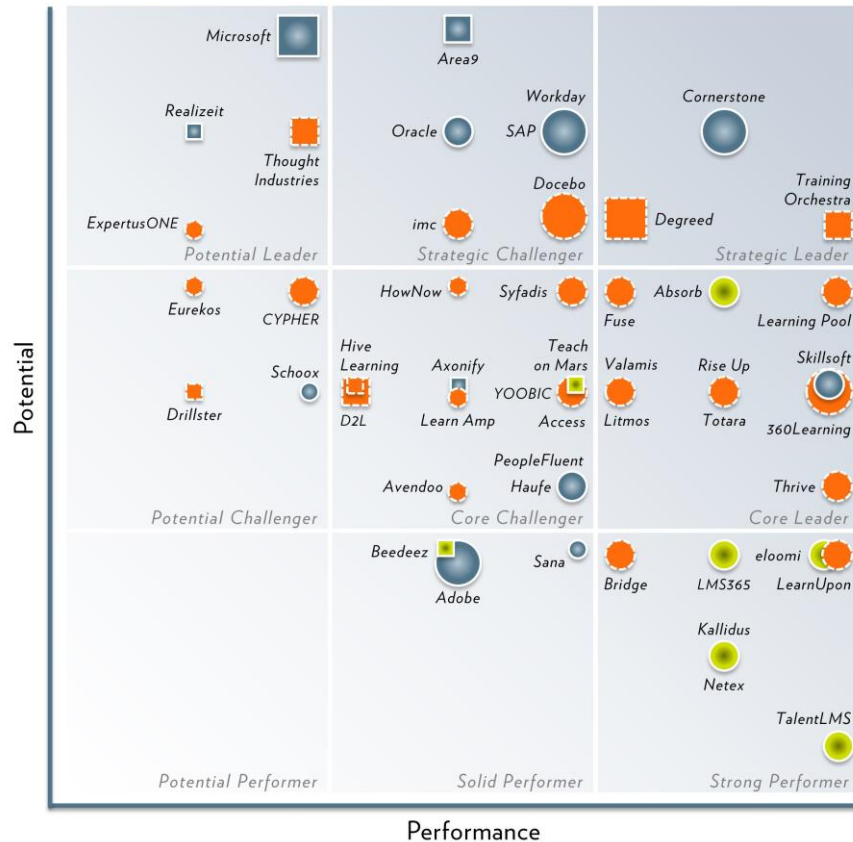
Fosway 9-Grid™

Learning Systems

2024

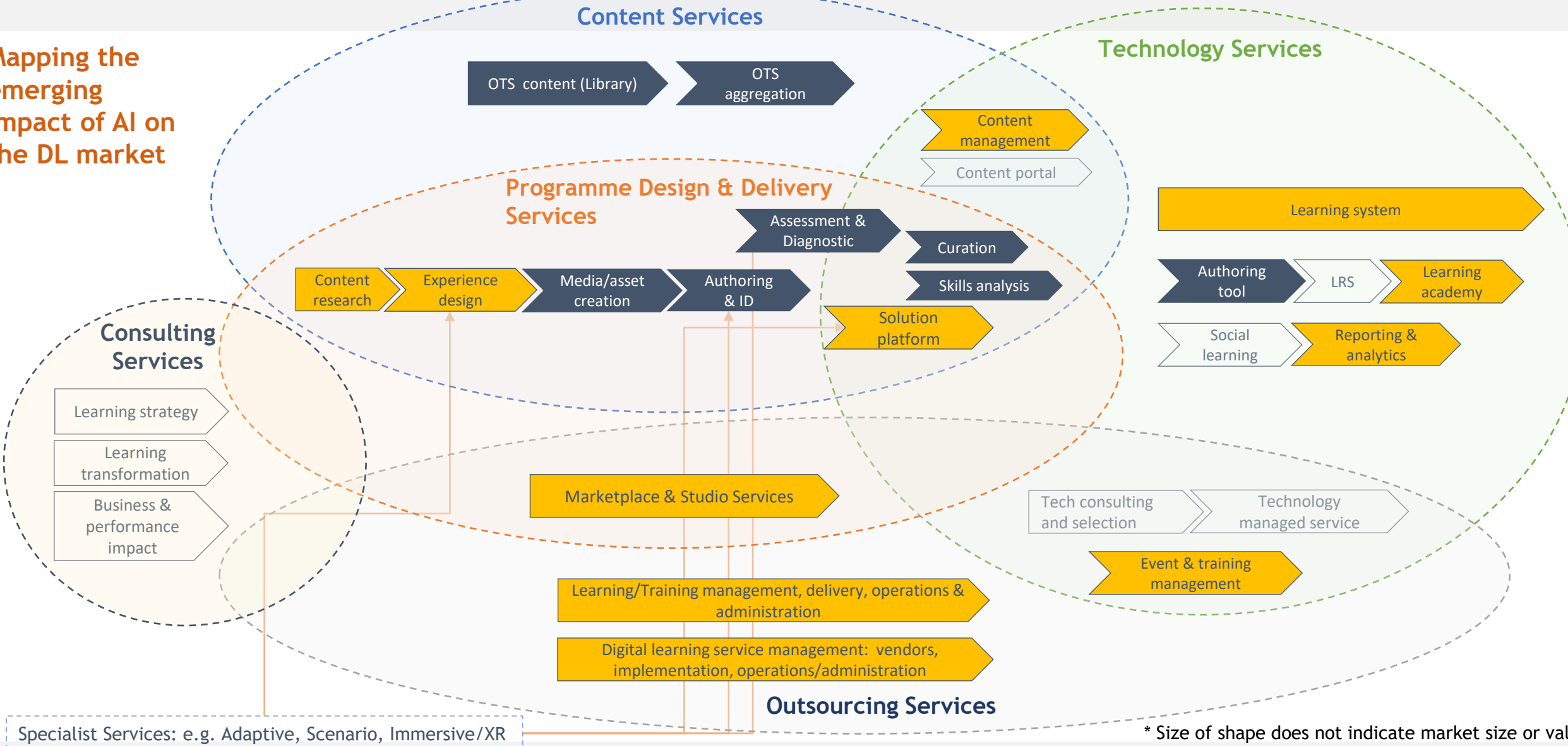


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- Process automation of learning administration
- Personalisation of learning experience and recommendations
- Authoring is everywhere
- But...who will pay for use of the technology?

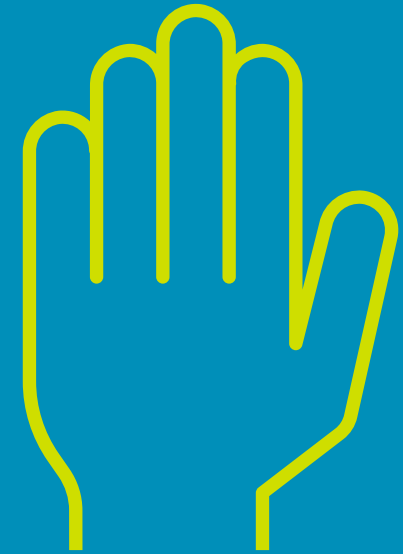
Mapping the emerging impact of AI on the DL market



* Size of shape does not indicate market size or value

How well is the vendor market supporting your AI needs?

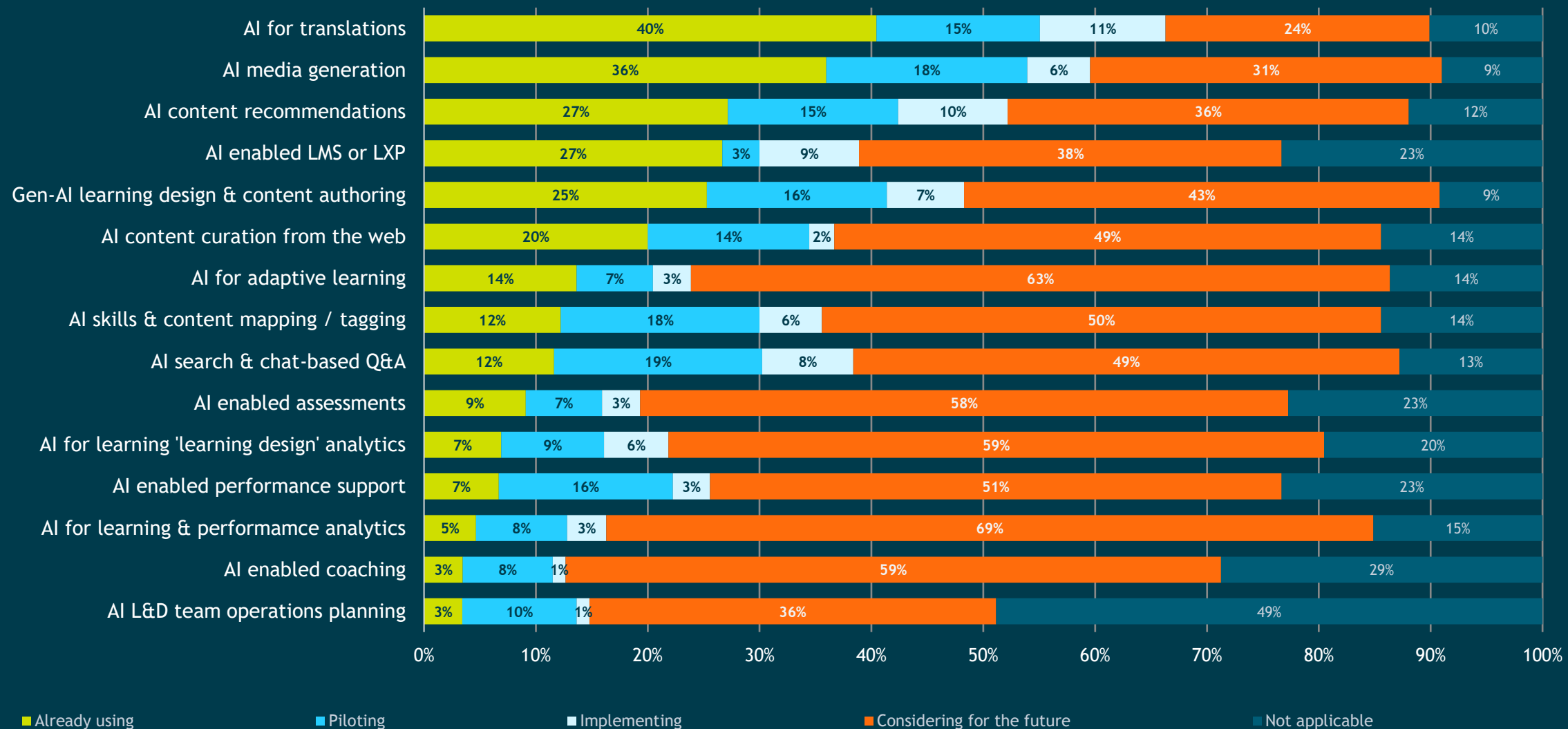
- Very well
- It's OK
- Poorly



How AI and innovation is transforming learning today

Fosway's independent perspective - what's real, what's not and why should I care?

What AI enabled L&D tools or systems are you using, piloting, implementing, or considering?

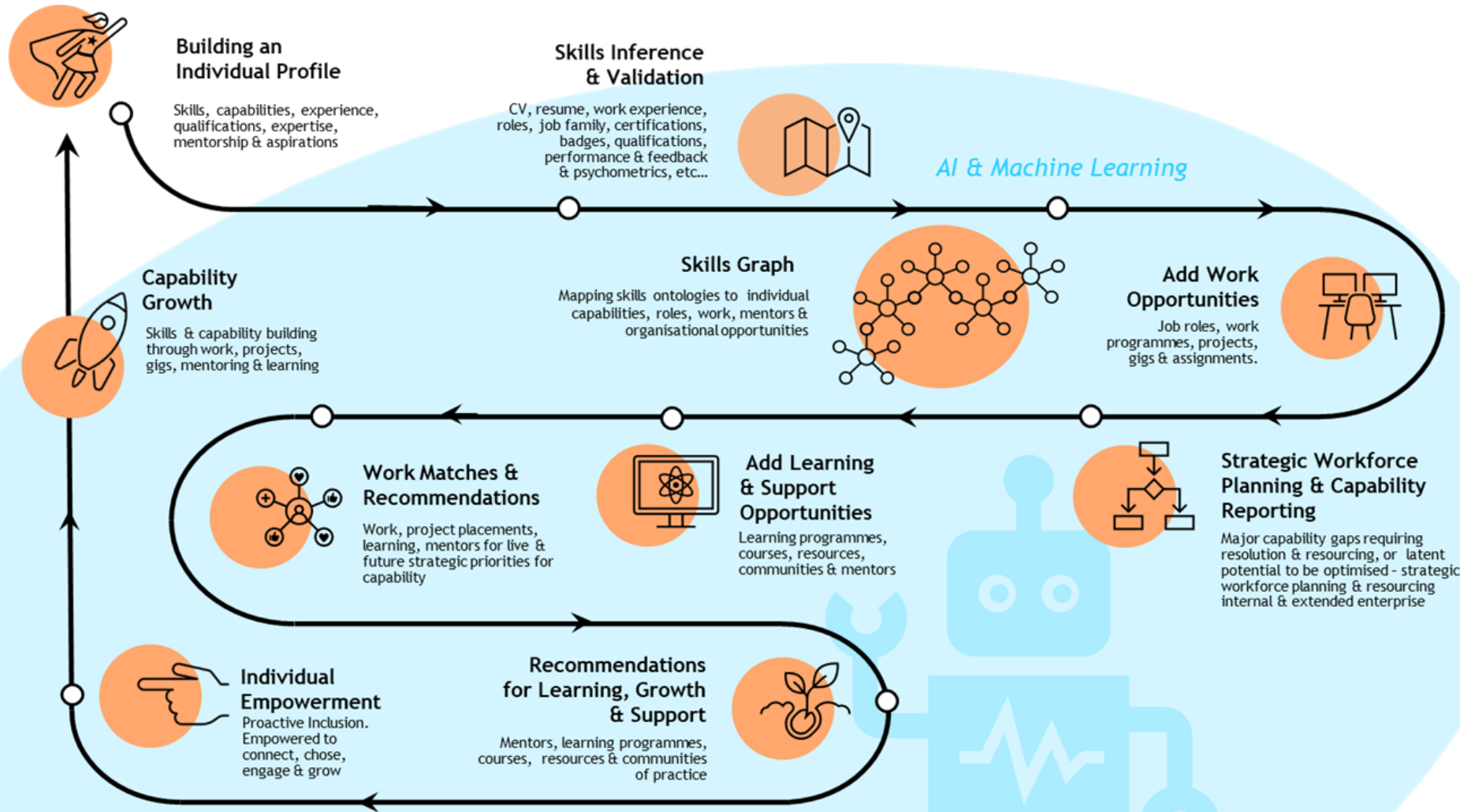


What innovations are impacting your learning experience today? What is making a difference?



An AI toolkit emerges: Assistance, production efficiency and speed





Skills-based approach to organisations

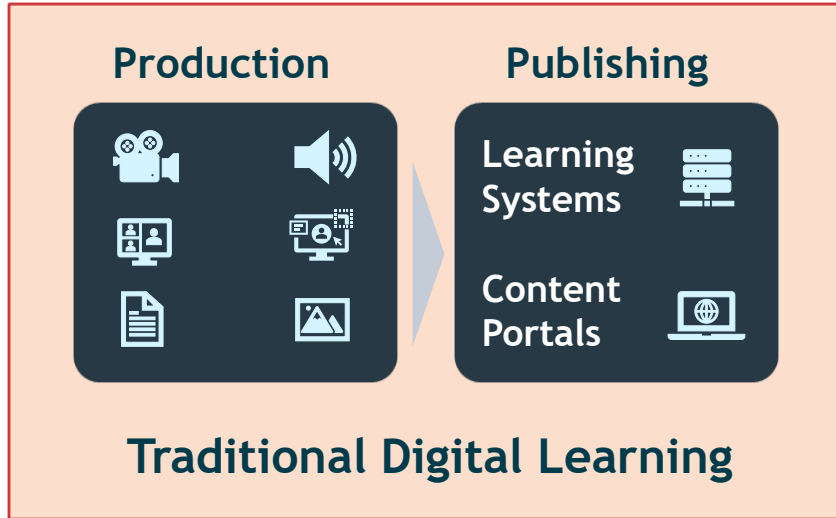
Link learning to a skills, opportunities & mentors using an AI driven marketplace for roles, projects & gigs

What does this mean for
your learning team?
And what should you do??

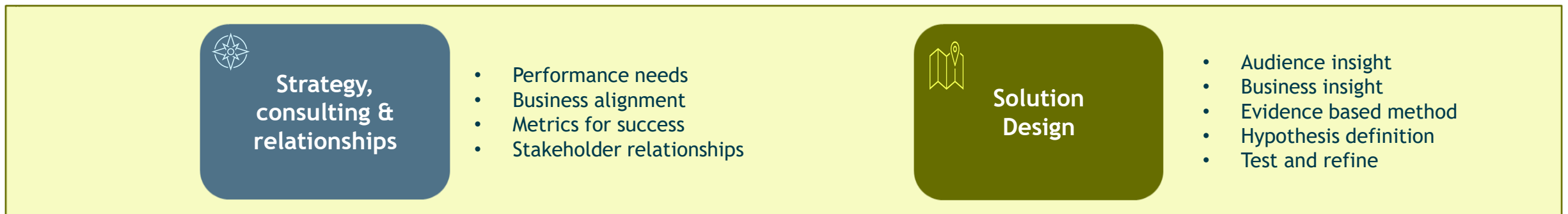
What does this mean for learning teams: key questions?

- ▶ **Redundancy or Reinvention - what are you going to be?**
- ▶ **What are your business' NEEDS and what's your Value Proposition?**
- ▶ **Are you relentlessly VALUE centered - or delivery focused?**
- ▶ **Is AI a transformational opportunity for your team?**
- ▶ **What is possible now that was too hard before?**

AI Automation - Efficiency Opportunity/Risk

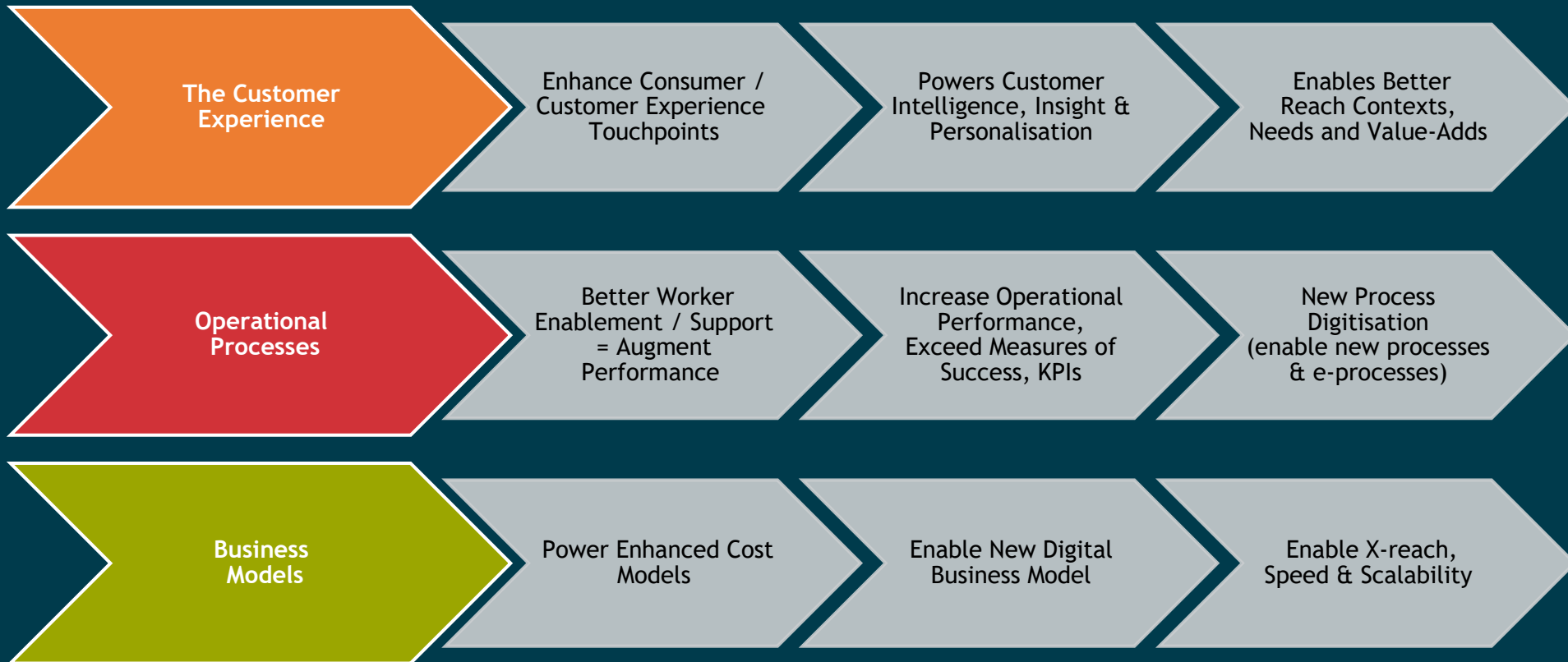


AI Solution Potential



Solid Strategy Foundations

AI is the new DIGITAL TRANSFORMATION



In summary

- ▶ **Expectations of the impact of AI are high**
- ▶ **Whilst disruption is coming, the near-term reality is less dramatic**
- ▶ **Changes to the economics of digital learning appear to be extensive**
- ▶ **Learning content is the early market focus**
- ▶ **Further transformation will present extensive opportunities and risks...in the longer term**
- ▶ **“Act now to avoid disappointment” - don’t wait and see.**

QUESTIONS AND COMMENTS

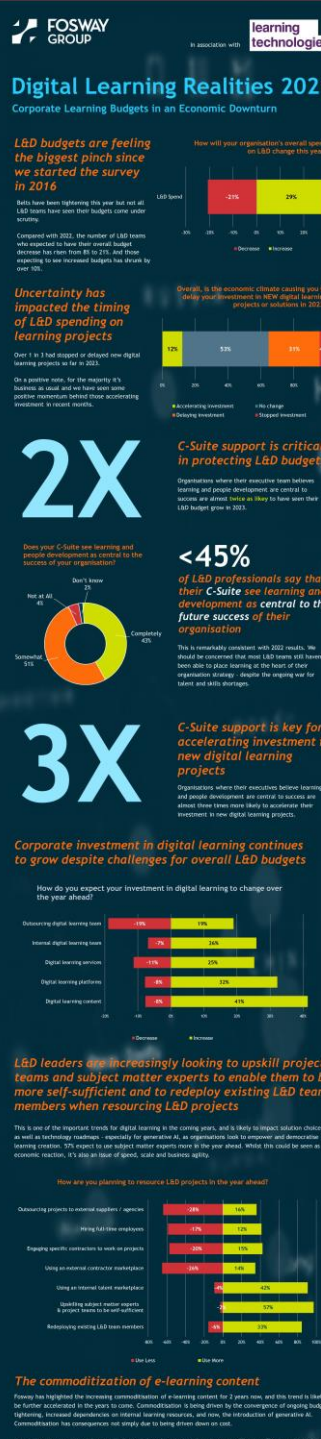


Get involved:

▶ Get all the DL Realities infographics here <https://www.fosway.com/research/next-gen-learning/digital-learning-realities-2023/>

▶ Please complete our DL Realities 2024 Survey <https://www.research.net/r/DLR2024LTS>

▶ Read our other latest research www.fosway.com/research/latest-research



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

Budgets 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 increase has risen from 8% to 21%, and those expecting to see increased budgets has shrunk by over 50%.

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

Over 8 in 10 had stopped or delayed new digital learning projects as for 2023.

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

2X

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

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

<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 reassured that most L&D teams still have 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?

Discontinuing digital learning tools: -16% (2022: -10%)
Internal digital learning tools: +20% (2022: +16%)
Digital learning services: +15% (2022: +15%)
Digital learning platforms: +18% (2022: +12%)
Digital learning content: +6% (2022: +11%)

L&D leaders are increasingly looking to upskill project teams and subject matter experts to enable them to be more self-sufficient and to redeploy existing L&D team members when resourcing L&D projects

This is one of the important trends for digital learning in the coming year, and is likely to impact solution choice as well as delivery models, especially for generative AI, as organisations look to improve and diversify their learning creation. 53% expect to use subject matter experts more in the year ahead, whilst this could be seen as a positive reaction, it's also an issue of speed, scale and business agility.

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

Outsourcing projects to external suppliers / agencies: +28% (2022: +16%)
Hiring full-time employees: +24% (2022: +12%)
Engaging specific contractors to work on projects: +20% (2022: +11%)
Using an external contractor marketplace: +16% (2022: +14%)
Using an internal talent marketplace: +5% (2022: +4%)
Utilising subject matter experts to project manage or build solutions: +17% (2022: +17%)
Redeploying existing L&D team members: +14% (2022: +12%)

The commoditization of e-learning content

Fosway has highlighted the increasing commoditization of e-learning content for 2 years now, and this trend is likely to be further accelerated in the year to come. Commoditization is being driven by the convergence of ongoing budget tightening, increased dependencies on internal learning resources, and now, the introduction of generative AI. Commoditization has consequences not only due to being driven down in cost, but also through the loss of intellectual property.

And remember ... the research is just the start ...

- ▶ Join **Corporate Membership** for inside access to more detailed research, benchmark reports, private corporate roundtables, and analyst time
- ▶ Fosway's **Accelerated Buying Support** to align stakeholders, validate solution strategy, shortlist vendor options, and accelerate and derisk buying decisions



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Our research shows that through standard procurement processes, only 50% of HR Tech buyers feel they chose the right vendor solution, and only 50% of those implement well and achieve clear success



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