

# Moving L&D to systematic and strategic impact: *the technology infrastructure needed*



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## ABOUT THIS REPORT

Based on extensive research, this report explores how data-driven, learner-centric, highly scalable solutions can enable post-16 learners to upskill, reskill and find pathways into employment. There is vast untapped potential for technological innovation in this sector. This report gives vital insights into how that potential can be developed, with actionable recommendations for policymakers, employers, educators and founders.



**Nic Newman**  
Partner, Emerge Education

# Foreword

Over the 35 years that I have worked in learning and development (L&D), one question has remained stubbornly unanswered: how should L&D show its value? Methodologies have been suggested, and heatedly debated with no resolution. The ultimate goal is usually expressed as some way of demonstrating a return on investment (ROI) against training expenditure.

It is possible to do this well, but the usual method - showing the value of L&D by running a one-off ROI study - has always seemed to me to approach things from the wrong angle. It looks at a particular learning intervention retrospectively, with the aim of showing its impact more than justified its costs. But the ROI for one programme will have little impact on the next. This approach condemns L&D to perpetually pleading its case.

This paper on strategic impact aims for something different. Rather than regard L&D as something external to the organisation, keen to demonstrate the value of the service it provides, it explores how the L&D function can approach closer to the business, centring the importance of learning as part of daily operations. And it explores this not only from the viewpoints of L&D teams and organisations, but also from those of policymakers and founders who can provide the vital support and technology to enable this.

When learning is central to an organisation, it does not prove its worth in occasional, retrospective studies. It demonstrates it every day by being an essential business process, improving both short-term performance and long-term capability. This shift from L&D as outside-service-provider to integrated-business-function is a requirement in today's world where skills demands are more intense – and changing faster – than can be met by the traditional model of centralised, scheduled, course delivery.

This shift is only possible with the technology to support the learning and the right data to guide its use, but while necessary, these alone are not sufficient for success. The greatest challenge to the successful integration of learning into organisations is not technology, but the culture and mindset in those organisations. For this reason, this paper does not suggest a single, one-size-fits-all methodology, but rather explores, through interviews and surveys, how different organisations are tackling this issue, the challenges they have faced, and the ways they have overcome them.

Using this empirical approach, the authors then make a range of practical recommendations that will help key stakeholders put L&D at the heart of the organisation. We have an unprecedented opportunity today to shift learning and development from its traditional, reactive role to one that is predictive, proactive and performance-oriented. It is an opportunity that I hope the readers of this paper grasp with both hands.



**Donald H Taylor**  
Chair of the Learning  
Technologies Conference

# Summary

*Moving L&D to systematic and strategic impact* is based on research interviews with 30+ CEOs, heads of learning and development, and policymakers, alongside a survey of almost 100 learning and development practitioners. It explores L&D's role within organisations, and the shift from measuring engagement to showing business impact.

It outlines three key areas where L&D can get closer to the business, and offers recommendations for learning and development practitioners, organisations, policymakers and founders.

## 1. Getting L&D closer to business

Skills have never been higher on the organisational agenda – does L&D have the systems and processes it needs to play a strategic role?

Our survey of 100+ L&D practitioners reveals:

- 81% feel familiar with what matters strategically to their organisation.

But only

- 55% feel able to strongly or very strongly link L&D activity to their organisation's business goals or KPIs.
- 40% feel that L&D has substantial input/responsibility for their organisation's talent strategy.

To understand performance and to track the impact of learning on an organisation effectively, you need to be close to it. This means:

- **Attitude:** L&D must become a business partner for business leaders.
- **Culture:** L&D must lead on creating a shared understanding across an organisation of what learning is, how learning happens in the flow of work, and why it matters.
- **Processes:** L&D must use skills ecosystems to bring learning and day-to-day business operations closer together.

## 2. Linking impact to performance and business KPIs

- Shifting from tracking engagement to showing impact means moving from assessing learning to evaluating performance and behavioural change.
- Strategic thinking requires strategic metrics.
- The role of data to drive proactive, predictive decision-making in a skills-based talent management approach to performance enhancement will be vital.
- L&D is already tracking applied learning, such as on-the-job skills assessments and line manager feedback.
- But 10% of respondents are not aware of any long-term measurement of learning impact.
- L&D must make an impact for both short-term performance support and long-term capability building.
- 51% feel that their current technology ecosystem does not help them to gather meaningful data about learning impact.

### 3. Top three recommendations

L&D	Organisations	Policymakers	Founders
Step out of our comfort zone to learn new skills, to become a strategic partner for business leaders	Start collecting data now, with sound foundations in data privacy, GDPR compliance and secure data storage	Link individual incentives to strategic workforce plans	Listen, don't solutioneer
Stop being 'order takers' – start scanning business results and talking to people on the ground to proactively identify needs	Standardise skills frameworks to save time	Endorse standard metrics for L&D to externally report and benchmark progress	Design with diverse audiences in mind
Be business oriented and find a C-suite champion with the vision to see where data could take the organisation	Design your tech with interoperability as the key ecosystem principle	Improve human capital management reporting	Add value by offering multi-provider aggregation and navigation

*“Impact is the \$64 million question because it’s done so poorly. The traditional way of evaluating learning – ie Kirkpatrick – doesn’t distinguish between beneficiaries. At EY, we think about impact on three levels: the individual, the organisation, and wider society. Some types of training, such as mandatory compliance, don’t benefit the individual very much; they focus on benefiting the organisation. Similarly, you can think of examples of training that would be brilliant for me – maybe I would like to go on a basket-weaving course! – but that doesn’t benefit my organisation. So you’ve got to line up benefit for individuals, benefit for the organisation, and ideally it would benefit wider society as well.”*

Josie Cluer, partner, people advisory services, EY

# Introduction

Living and working through the pandemic has prompted many people to rethink what's important to them, prioritising flexibility and fulfilment. At the same time, the operational shift to remote working and wider economic tumult means organisations are reexamining their business strategies, workforce models, values and culture.

Learning and development (L&D) sits at the centre of this transformation. L&D practitioners are still responsible for producing high-impact, high-quality learning experiences, but they are now also being handed bigger, more complex problems to solve, helping whole organisations adapt to unprecedented change. L&D is supporting employees with their need for growth and purpose, and they're grappling with the urgent challenges of reshaping and future-proofing entire organisations.

So after years of feeling that they struggle to “get a seat at the table”, L&D leaders believe their role has become more influential over the past year. According to the 2022 LinkedIn Learning Report, 72% of L&D leaders feel L&D has become a more strategic function at their organisation and 74% believe L&D has become more cross-functional.

The “skills crisis” has rocketed up the agenda, with skills shortages often cited as the biggest impediment to success. As a result, learning is now a C-suite level issue. Many organisations concede that, in the past, they could afford to recruit for skills gaps. But this has been getting harder since the pandemic and Brexit, compounded by generational change. Learning and development is central to the employee value proposition, and the ability to upskill and reskill employees could fast determine whether organisations succeed or fail. Employers have to step up to the plate now. And government has to make it easier, cheaper and less bureaucratic for them to do so.

L&D's role is to provide opportunities – to guide and support, to scaffold and signpost learning journeys – and to articulate clearly what new knowledge, skills and capabilities look like in terms of the difference they can make to performance or business operations. All this is part of a shift from L&D's traditional focus on learning as a good in itself to how learning makes a difference. Skills have never been higher on the organisational agenda, but does L&D have the systems and processes it needs to play

a strategic role? Last year, our report on the future of workforce development suggested trends towards:

- Performance progress not content delivery
- Embedded not siloed
- Data-driven and strategic not reactive
- Empowering employees not compliance focused

The systems and technology infrastructure required to implement this new way of working are sophisticated, and the whole process involves significant change management. Since then, the most recent L&D Global Sentiment Survey identified the biggest challenges for 2022: budget, stakeholder engagement and showing value. In the context of a dire skills and talent shortage, it isn't enough to simply demonstrate that learning is effective. It must demonstrate tangible value by:

- Driving business performance through learning.
- Ensuring L&D makes a strategic contribution to performance.
- Moving from a system of engagement to a system of impact.

Easy to describe; difficult to do. This paper looks at what is possible today with learning, skills and talent technology – and whether L&D is ready to exploit it.

In part 1, we explore L&D's role within organisations, thinking about the stakeholder engagement, learning culture and operational processes that are required to get L&D closer to the business.

In part 2, we examine the shift from engagement to impact, for both short-term performance support and long-term capability building. The role of data to drive proactive, predictive decision-making in a skills-based talent management approach to performance enhancement will be vital.

This paper is based on research interviews with 30+ CEOs, heads of learning and development, and policymakers, alongside a survey of almost 100 L&D practitioners – and throughout we present compelling stories that illustrate the potential for impactful, data-driven learning to transform the way we work.

Finally, we offer recommendations for learning and development practitioners, organisations, policymakers and founders.

# 01

Getting L&D *closer*  
*to the business*

L&D TOO OFTEN  
BECOMES HIDDEN  
AWAY IN HR AND  
SEEN AS “OTHER”

Learning is at the centre of any organisation. Yet, in practice, L&D too often becomes a silo of learning, hidden away in HR and seen as “other” to day-to-day business operations. How do we break down these organisational barriers to work collaboratively around the goal of driving performance? Should L&D sit under HR or operate as a distributed force across the business? What is the role of L&D in driving performance when many other factors affect business outcomes that are outside of L&D’s control?

To examine these questions, and to gather insights into the capabilities of L&D now, we designed a survey asking L&D practitioners and senior leadership executives about their current learning metrics, strategies, processes and technology. More than 90 respondents from around the world shared their experiences. The responses reveal that impactful L&D sits at the intersection of three critical areas: attitude, culture and processes. These three areas must be aligned for L&D to get closer to the business and achieve maximum organisational impact.

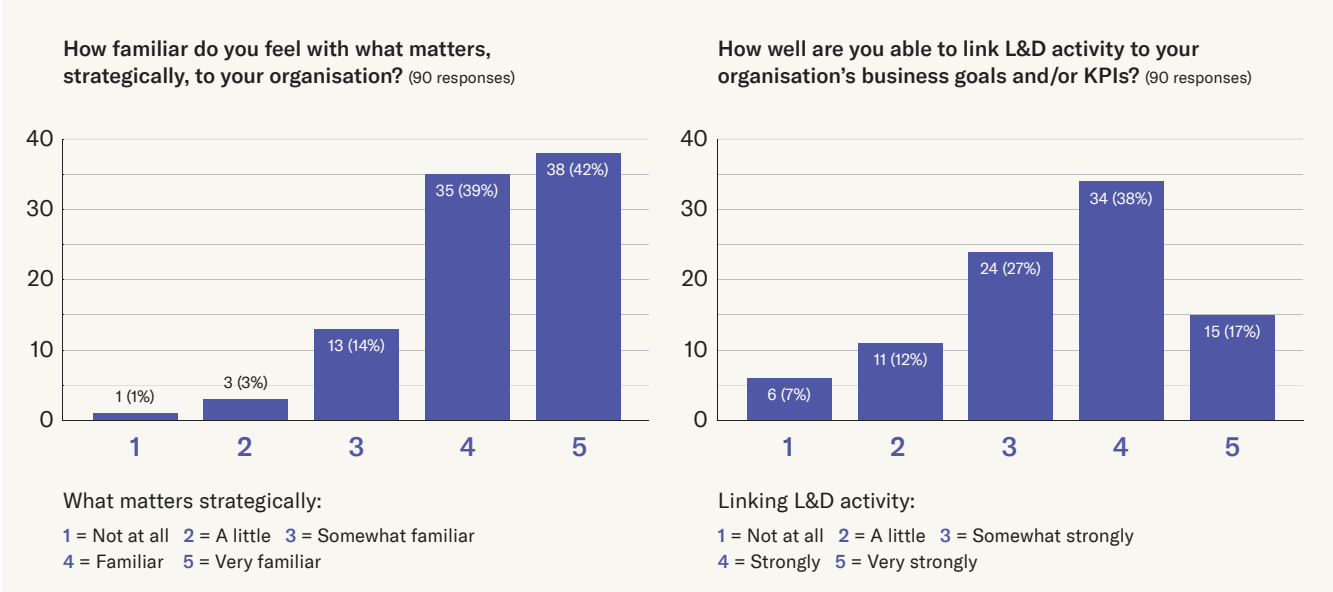
## The role of L&D: *insider insights*

In total, more than four out of five respondents said they felt “familiar” or “very familiar” with what matters strategically to their organisation. These insights were gleaned from a variety of working practices:

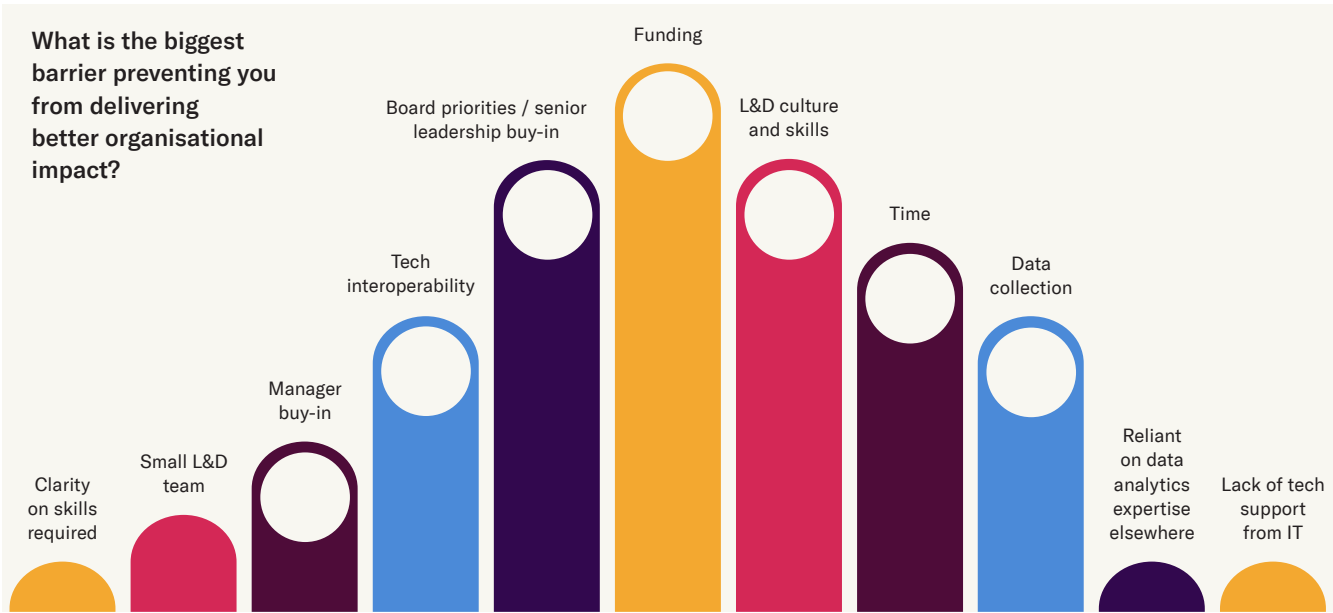




Similarly, respondents felt overall that L&D had substantial input/responsibility in relation to their organisation's talent strategy, with 40% assessing that they play a "significant" or "very significant" role. (Though 1 in 4 considered themselves to have "no" or "very little" input.) Yet despite this apparent proximity to organisational strategy, there was less certainty among respondents about their ability to link L&D activity clearly to their organisation's business goals or KPIs. Only 55% of respondents felt they were able to do this "strongly" or "very strongly", suggesting a crucial gap between knowledge and implementation.



The barriers that were most often cited as preventing L&D from delivering better organisational impact include a lack of evidence data, stakeholder management, funding, confidence and L&D skills.



The key takeaway from these insights is that L&D is increasingly being recognised as crucial to organisational strategy, but that L&D practitioners currently lack the tools, skills, time and support to make their expertise felt and show value.

## Attitude: *engaging stakeholders*

To understand performance and to track the impact of learning on an organisation effectively, you need to be close to it. L&D must become a business partner for business leaders.

Many organisational structures inadvertently silo L&D within HR, who then risk being seen to exist solely for the optimisation of learning. This contributes to a narrative that L&D doesn't understand the business.

However, organisations care about:

- Do we have the talent we need, quickly, at the time we need it, at an affordable cost?
- Do we have a culture that attracts more of those people to join and stay over time?

Learning is not the objective. It may, or may not, be the method. L&D is about individual skills development, but, if we zoom out, skills development is ultimately about building organisational capability. L&D may not always be top of mind for CEOs but it's up to L&D practitioners to make this case.

**To engage executives**, L&D must contextualise the business case for learning as one solution to the skills agenda. The nature of work is changing fast, and organisations need to be identifying critical future skills and training for future jobs now. Upskilling and reskilling are a vital part of business operations. L&D is key to enabling this process. Without L&D it is very difficult for business leaders to devote the right level of time and attention to do this effectively, considering people at every stage of business planning cycles.

**To engage individuals**, they need to know that learning is part of their long-term career plan as well as meeting business needs. They need to learn what they need now – in the past, evidence has suggested that people often don't feel confident in their current roles – but they also want guidance on the foundational learning they will need for sustainable employment into the future. This means L&D needs a granular understanding of where an individual is trying to go, which needs to marry up with data about what the organisation needs that person or team to be doing.



L&D MUST  
BECOME A  
BUSINESS PARTNER  
FOR BUSINESS  
LEADERS

To engage managers, L&D should act as an advocate with senior leadership to help them carve out dedicated time for learning, not only to free up their employees but also to upskill themselves in areas of increasing importance, such as coaching and mentoring. In today's rapidly evolving work environments, one survey found that 45% of managers don't feel confident in their ability to develop the skills employees need today and lack the time required to support employees with targeted feedback – all of which have consequences for performance.

## Culture: centring learning

According to Glint data, having opportunities to grow and learn is now the number one factor that people say defines an exceptional work environment. Development opportunities are not in themselves as important to employees as employers might think, as this McKinsey research shows, but employers may be underestimating their contribution to a sense of belonging and feeling valued by your organisation. Learning can power organisational culture.

**Short term:** the best chance of achieving business goals is high-quality talent wanting to help solve your problems.

**Long term:** Talent transitions happen – you want to have a brand where every next great talent wants to come to you, and stay.

*“We’ve got to get rid of the very old-fashioned concept that if my people learn, or they spend time in learning and upskilling, they don’t produce. Upskilling, reskilling is part of the business. It’s vital to keep the business alive and successful. So it’s very important to be able to present data to demonstrate that if you upskill your people and you reduce the time to value, there is a direct impact on productivity. But a key question for me is how to help companies create internally good cultures, a culture that is really humanistic and can take care of people – because at this point in time it’s not a choice. So many companies are now saying, “Ok, I don’t have time to waste. I have to invest in my people’s wellbeing.” Companies that don’t do that will be left behind.”*

Elisabetta Galli, vice-president human resources EMEA, Culligan International

Developing a *learning culture* means creating a shared understanding across an organisation of what learning is, how learning happens, and why it matters. It is well known that a widespread commitment to embedding learning can contribute to a broader narrative around supporting employee development that will attract and retain talent, and achieve business goals. But a learning culture is also a way of working, one that creates opportunities to learn in the flow of work and so creates an organisation that's better able to adapt.

This can also act as a catalyst for a change in L&D mindsets. A learning culture moves away from the assumption that adding more training is the only way to create change, towards a more holistic view of how learning in the flow of work underpins wider organisational strategic priorities.

## Processes: *breaking down silos*

L&D is increasingly talking about learning within skills ecosystems, which brings learning and day-to-day business operations closer together in new and exciting ways. In principle, this is what L&D has always been trying to do, but technology is transforming our ability to bring learning and work together so that skills are updated and developed real-time in the flow as people do their work. L&D innovators are focusing on the convergence of talent development, skills-based strategic workforce planning and internal mobility to build a work culture based on continuous learning.

The balancing act is to develop a trackable common language around skills without over-indexing to a clunky, fixed framework that is swiftly outdated, unrelatable and too inward-looking. Data mining can help understand in real time what skills people have and what they need based on the work they're doing, and use that to update skills profiling. A more organic taxonomy such as this, updated continuously based on real-time emerging needs, reflects the realities of modern work better, but it can also be harder to benchmark against.

### Skills-based talent management at AstraZeneca

AstraZeneca has been engaged in a learning transformation for the past three years, introducing a common language and framework for learning alongside a broader narrative around supporting people's development as part of the board's wider growth innovation strategy.

The operating model for learning is federated. Learning and talent development consultants, who are embedded in and report to the business, take responsibility for root cause analyses, learning interventions and impact measurement. L&D builds the technology ecosystem, ensuring practitioners have access to the right datasets and analytics tools, and shares best practice with a committee of learning leaders. This enables AstraZeneca to map wider organisational capabilities as well as respond swiftly to specific business needs as they arise on a case by case basis. Rather than lead with learning as the solution, it gets closer to the work to lead with understanding performance gaps.

One priority has therefore been coaching, as part of a more impact-driven approach to performance management. A 180 degree assessment tool supports leaders and managers to understand their baseline coaching capability, based on feedback from their peers, their teams and their boss. They are able to repeat that assessment and continue to see data around where their capability sits and where their gaps lie. AstraZeneca can then see a picture emerge about skills hotspots across the organisation.

AstraZeneca is increasingly thinking about learning through the lens of a skills-based talent management approach, which unpicks and redesigns an organisation in several fundamental ways:

What skills do we need for the future?	What skills do we have now?	What is the skills gap and how do we close it?	How do we retain and deploy skills?	How do we measure the impact?
<b>Capability and needs assessment</b> How we systematically evaluate the future roles, skills and capabilities required to drive successful execution of business strategy, combined with external insights and wider trends	<b>Skills assessment</b> How we identify, validate and benchmark current skills	<b>Skills gap assessment and calibration</b> How we hire externally for critical skills and expertise (Buy) How we outsource and contract externally (Borrow) How we develop critical skills within the organisation (Build) How we automate work (BOT)	<b>Succession, Mobility and Reward</b> How we support and recognise people for acquiring and developing skills to navigate their careers, and how we establish a strong and agile pipeline of future-ready capabilities	<b>Labour cost</b> (eg reduced cost of hire) <b>Productivity</b> (eg product pipeline, time to competence) <b>Retention</b> (eg % internal fill, employee satisfaction)
<b>Job architecture:</b>	How we provide a clear understanding of roles and responsibilities within the organisation.			
<b>Skills taxonomy:</b>	The common language and structure we use around skills in order to reflect business needs.			
<b>Training, change management, governance:</b>	How we support people to adopt, adapt and scale new ways of working within proper ethics and governance.			
<b>Technology, data:</b>	How we use technology to connect people, skills and opportunities.			
<b>1. Choose business areas to pilot</b> Where we choose to develop a proof of concept for ecosystem components	<b>2. Establish baseline</b> Which components do we have, are they fit for purpose, and what is missing?	<b>3. Prepare fixes</b> What gaps need to be closed before a pilot can occur meaningfully?	<b>4. Run proof of concept</b> Test, learn, then scale or pivot	<b>5. Show value</b> Measure impact

**Key:** ● The business challenge ● The business processes involved  
● The infrastructure required to meet the challenge ● The steps required to implement

*“Skills will be the currency of progress in the future. Employees will trade not so much on jobs but on skills to deploy their talents in increasingly permeable organisational talent marketplaces. Employees will also put a premium on roles that provide tangible growth opportunities to upskill and reskill themselves real-time as part of work. Organisations, likewise, will continue to re-design work using the currency of skills, creating more adaptive and agile organisations. Work will be shaped more around skills clusters and less around traditional role-based static hierarchies. The value proposition around skills for employees and organisations will therefore be symbiotic – as long as organisations redesign work and create employee value propositions that are in lock step with one another.”*

Brian Murphy, former global head of learning and enterprise capabilities, AstraZeneca

Traditionally, organisations tend to silo these activities, even if the organisational design specialist, change management specialist, talent specialist, learning and development practitioners, and strategic workforce planning may all sit within HR. All these functions need to combine in order to align business needs with the skills and motivation among groups of people who may need to move into a different direction or develop in a different way, and to make those future skills and career pathways visible and attainable to people from wherever they start right now.

*“We can’t always train problems away. You can’t just put it all on behaviour. A lot of things are more systemic, to do with how organisations are structured or to do with how we actually work together, collaborate, define our roles, all of that stuff. So I’ve been slowly moving away from learning or training as the way to impact change into taking a more holistic view of the organisation. “Oh, you’re just doing the HR training” – I have often heard that, like we don’t really understand the business or what the business needs are. So getting to performance, getting to really solve the business issues – we have to see L&D situated more within central operations so it can be closer to fixing the problems.”*

Claire Doody, founder, Work In Motion

## Upskilling, reskilling and future jobs

The sophistication of skills-based talent management reveals one particular challenge for bringing L&D closer to the business: reskilling is a strategic imperative that often doesn’t have a dedicated home. While organisations are familiar with linear upskilling and reactive, redundancy-driven reskilling, proactive reskilling is another vital way to stay ahead of future trends and to offer individuals flexible, sustainable and fulfilling career paths.

*“I don’t think you can make the wholesale change to become a truly skills-enabled organisation overnight. There’s a massive change management and culture piece that comes around that, because our whole business is built on a hierarchical model of progression through time. Now, the nature of work is changing so much that just tenure in role is not the same as having the right skills to do a job. You might be 21 and have more skills than someone who’s been in the organisation for two years. So the model doesn’t work quite as well as it used to, and that’s a challenge facing every single organisation. As the nature of work changes and the skills that you require change constantly, you’ve got to look at it differently.”*

Sarah Lindsell, global chief learning strategist, PwC

How much should L&D contribute? Workforce transformation requires future skills forecasting and skills gap analysis, alongside dedicated career coaching, resources, job search support and technology to support the individual through a more complex learning journey. A focus on reskilling may involve a different model of organisational design and a different organisational culture, one committed to letting individuals explore possible pathways and make a transition (whether internal or external) to what’s next for them.

But L&D could make a difference as career navigators within an internal opportunity marketplace. With a more holistic and cross-functional perspective on organisational skills needs, L&D could actively intercede to help people navigate their career into what's next anywhere in the organisation – ensuring the organisation retains top talent in critical roles. L&D can and should play a role in identifying and providing new opportunities that enable career development.

## Reimagining reskilling and redeployment with FutureFit AI

L&D traditionally is not set up to be the engine that enables reskilling and redeployment, which involves a more complex journey across an organisation than upskilling does. FutureFit AI helps organisations support workforce development at each stage of the employee lifecycle, from talent acquisition, to internal mobility, to offboarding.

*“The skills crisis is a complex, two-sided problem. It can't be solved by just training people and hoping they land in new jobs. There needs to be streams of both work and data that focus on individual skills assessment as well as training and preparation for new roles. At the same time, we also need to identify priority pathways for career growth and opportunities so that recruiters and managers are ready to consider different hiring profiles.”*

**Hamoon Ekhtiari, founder and CEO**

FutureFit AI's platform acts as a “GPS for your Career”, bringing multiple pieces of the puzzle along the career transition journey all in one place. The platform is supporting hundreds of thousands of workers across a dozen different countries in navigating their careers. It uses more than 350 million talent profiles, more than 20 sources of labour market information, and ethical machine learning algorithms to identify an individual's current skills, recommend career destinations based on priority pathways, and build a personalised roadmap of learning, training, career readiness resources and work opportunities to guide them from point A to point B in their career. This involves wraparound support including coaching guidance, resume review, job searches and interview tips.

The idea is to help organisations unlock mobility within their existing workforce. FutureFit AI helps individuals explore how their skills, interests and preferences match to potential career paths and open roles within an organisation to improve their experience and maximise placement rates.

This user-centric approach enables individuals to own their own journey, while two-way integrations with learning providers help FutureFit AI track end-to-end progress and outcomes data for different profiles of people making different kinds of career transitions. Some are already at the job search stage; they know what they want to do, and already have the necessary skills. Others don't even know which career path they want to explore; putting a learning programme in front of them immediately isn't going to do very much. Most companies have a mix of people at different stages. FutureFit AI equips organisations with that real-time data at every stage of the user's career transition journey to help inform investments in the most impactful support for different segments of their workforce. At scale, the platform can begin to predict how much time, investment and support people will need to reach a certain destination in their career depending on where they're starting from.

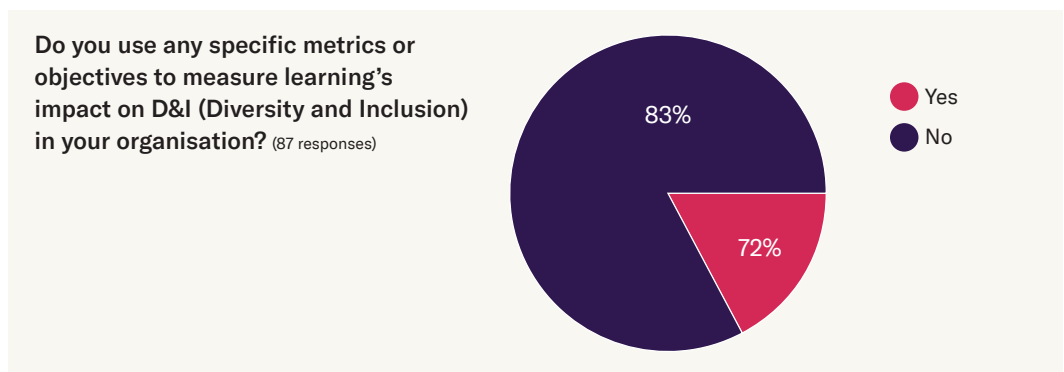


# Diversity and inclusion

Evidence suggests that organisations with a diverse talent pool are more innovative, more productive and more successful. Diversity and inclusion (D&I) is a vital component of environmental, social and governance (ESG) reporting, and therefore a priority for C-suite. Should L&D take the lead on developing talent strategies focused around diversity and inclusion?

Aside from initiatives such as The Valuable 500, ambitious D&I strategies are struggling to translate into concrete objectives.

One challenge is that datasets are not yet well developed in this area. Just 17% of respondents to our survey currently use specific metrics or objectives to trace learning's impact on D&I in their organisation.



Those who do are currently focusing on:

- Mandatory intercultural training.
- “Decolonising” learning content.
- Access to specific development opportunities (such as women in leadership training).

But HR already has all the relevant data to ensure that diversity and inclusion can be baked into talent progression.

- Is it possible to see patterns correlating people who did more learning with faster paths to promotion?
- Is L&D tracking participation rates for developmental opportunities and cross-referencing to different D&I groups?
- Is L&D able to micro-target groups of learners, using inclusive communication styles?
- Are D&I goals part of performance appraisal?

Mapping data on learning to internal mobility, promotions, progression, pay and wellbeing KPIs can paint a dynamic picture of an organisation. Analysing this kind of data helps drive the conversation, and makes it possible to set concrete objectives that create accountability. All these indicators speak to a learning culture working effectively, with impact that supports urgent business goals.



## Building executive accountability with Diversio

In October 2020, a leading construction company identified D&I as a board-level priority and committed to diversifying its workforce and addressing systemic barriers to inclusion. The company partnered with Diversio to collect granular data on the demographics and identities of its employees as well as unique challenges preventing individuals from reaching their full potential.

Diversio uses five academically validated inclusion metrics – inclusive culture, fair management, career development, flexible work options, and safe working environment – to generate an organisation's inclusion score, based on a four-minute employee survey. Sitting behind the five core metrics are specific pain points that reveal how L&D excellence can impact D&I in an organisation, such as mentorship and career guidance, too few training or development opportunities, lack of strong professional networks, leadership diversity and more. Because the survey collects data around identification, gender, race, ethnicity, sexual orientation, disability, and mental health, Diversio is able to segment responses by demographic, allowing managers to accurately identify and address systemic differences in employee experience.

Different environments require different strategies, and many of the most common HR trainings don't lead to meaningful impact. To link insights to action, Diversio uses AI and machine learning to generate a learning recommendation engine of 1,200+ solutions that are proven to drive D&I, by using data to create accountability. Once a company has got its survey results, Diversio prioritises recommendations and plans 30, 60 or 90 day training toolkits.

The company used Diversio's Scorecard to set concrete goals for representation and employee experience. The company tied 8% of executive bonus to performance on the Diversio scorecard and inclusion framework. Commitments were made to:

- Expand D&I education and conduct Allyship Training.
- Leverage industry best practices to roll out targeted DE&I programmes and initiatives.
- Drive accountability by regularly collecting, analysing and reporting on diversity and inclusive data.

Inclusion is about creating the right environment for diverse employees to thrive and is a key ingredient of organisational success – the scorecard also acts as a KPI linking organisational performance to industry benchmarks.

*“Organisations looking to advance DE&I tend to miss a key ingredient to success: data. What doesn't get measured doesn't get done; or if it's misunderstood, it doesn't get done very well. I have lots of conversations with organisations who make big DE&I statements, and sign pledges focusing on diversity goals and metrics, while missing the fundamental piece which is inclusion. Diversity is the fact and inclusion is the act. Having diversity in the organisation is only part of the equation – you need to focus on helping those diverse individuals feel included. Be purposeful about hiring diverse talent and remove all barriers to entry and progression.”*

Sunil Jindal, regional business development manager, Diversio

# 02

From engagement  
*to impact*

# Strategic thinking requires strategic metrics

Most organisations are not articulate about the impacts they are seeking from learning. A recent [white paper](#) found a significant communication gap between C-suite and HR, which emerges partly from an inconsistency between the language L&D has traditionally provided (qualitative feedback, such as learner evaluations) and the language upper management needs to justify budget allocations (quantitative data, such as productivity gains or efficiency savings). This stalemate means that, for the most part, L&D has not yet convinced upper management to invest in data support personnel and/or dedicated learning analytics tools, yet it remains their responsibility to unilaterally “prove” value. This situation is contributing to a widening divide between the ‘haves’ and ‘have nots’. According to the latest LEO Learning/Watershed survey, around 90% of L&D practitioners want to demonstrate the business impact of learning, and most believe that it is possible, but those in organisations that set aside a budget for measuring learning impact are far more likely to state that they’re seeing results.

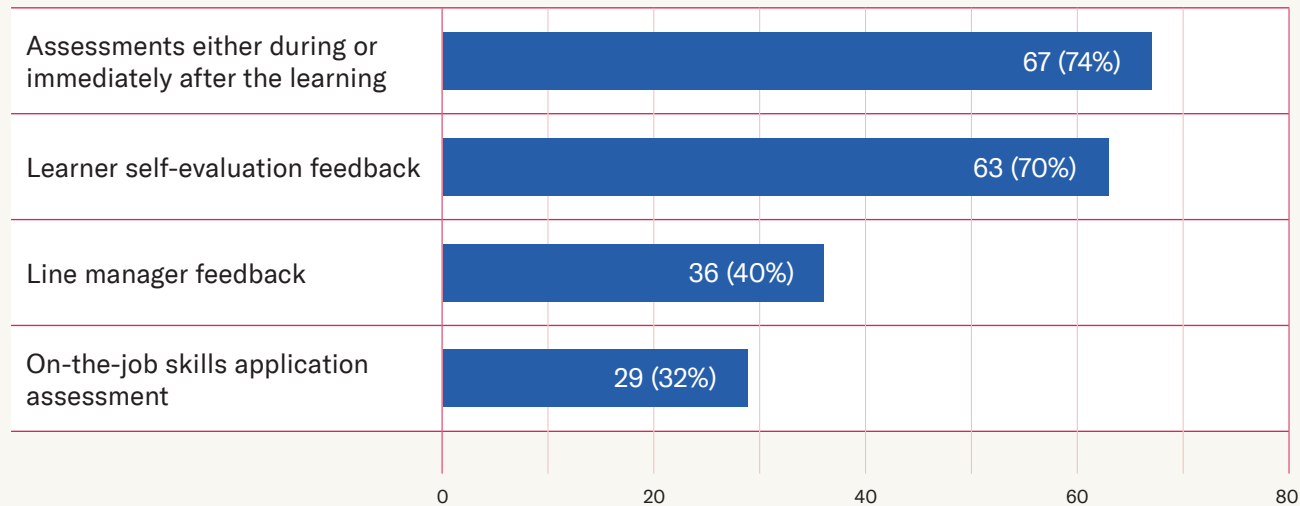
However, budget requests for measuring learning impact are not necessary. The impact of learning should be visible in business metrics that a business area needs to improve, such as sales or improved customer service scores, which are already measured continuously because they are what matter to the organisation’s performance and survival. L&D needs to partner with the business to define success metrics before starting to work on learning interventions.

So how can L&D get closer to the business and align stakeholder incentives to maximise impact?

## Measuring learning: insider insights

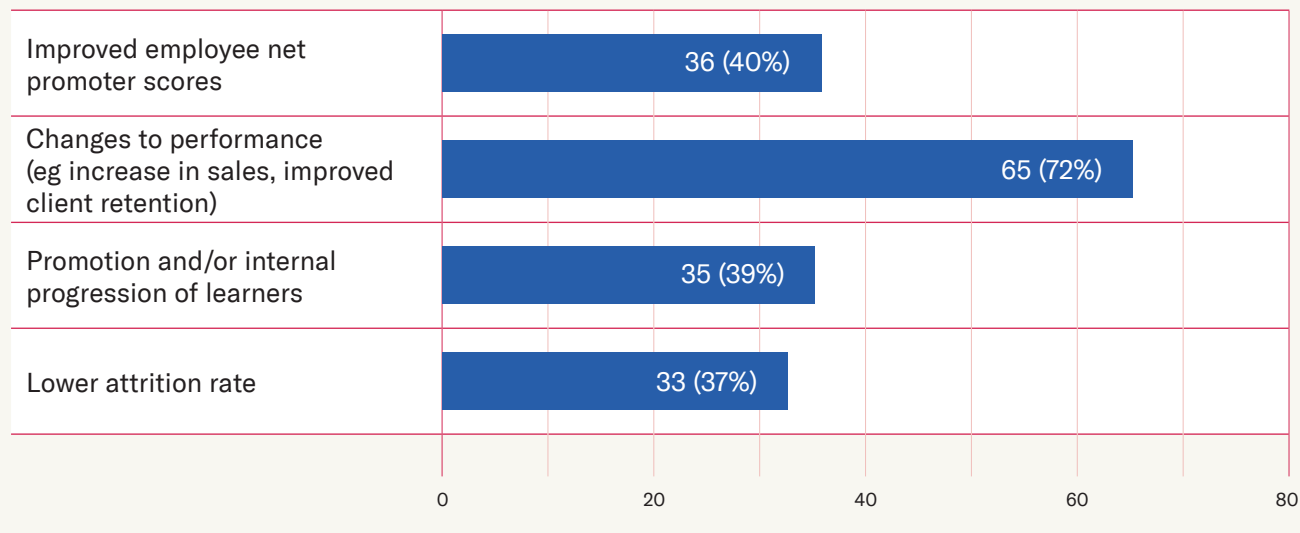
While input or activity proxies such as learning hours and course completions do have value as headline metrics – to signal that an organisation values learning, for instance – they, of course, communicate little about training quality, skill relevance, on-the-job application and so on. Our research suggests that L&D is already moving away from measuring engagement in this way and towards a plethora of alternative methods for tracking applied learning, such as on-the-job skills assessments and line manager feedback.

**How do you measure short-term learning impact in your organisation?** Please tick all that apply (90 responses)



While in-course assessments and learner self-evaluation remain the most common techniques, respondents revealed a widespread awareness that such data is only really valuable if properly contextualised over time alongside data points such as attrition rates, social listening on employee comms channels, skills benchmarking, and/or development-related sentiment in pulse surveys.

**How do you measure long-term learning impact in your organisation?** Please tick all that apply (90 responses)

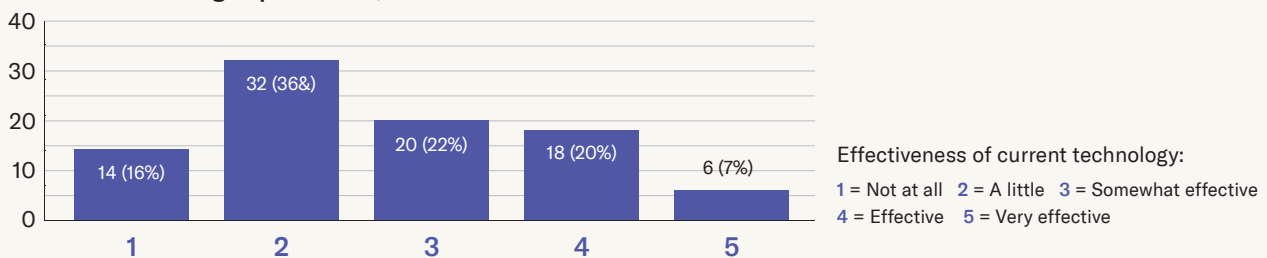


Ten percent of respondents said they were not aware of any long-term measurement of learning impact.

One third of respondents believe that these metrics will change in the future, but a large proportion – 45% – are not sure what the future holds.

Despite citing a range of platforms and products used to deliver and track learning and training (from LMS (learning management systems) and LXPs (learning experience platforms) to spreadsheets and social platforms), most respondents felt that their current technology ecosystem does not help them to gather meaningful data about learning impact. In total only 1 in 4 respondents felt it did, while more than half replied either “not at all” or “not much”.

How effectively does your current technology ecosystems help you to gather meaningful data about learning impact? (90 responses)



It may be that, for many, it is more effective to measure learning impact in business systems rather than using learning technology, but the situation nevertheless speaks to a potential barrier around tech interoperability.

## Linking impact to performance and business KPIs

Taken together, our survey of L&D practitioners alongside interviews with business leaders and L&D experts suggest that L&D must focus on three areas to show value:

- **Basic:** higher engagement and satisfaction around opportunities to develop, for an effective cost-per-head spend.
- **Short-term fixes for specific business needs:** a performance consulting approach to needs and root cause analysis in real-time.
- **Long term capability building:** specific enterprise capabilities identified as being long-term strategic priorities for an organisation.

This requires a mindset shift away from learning methodologies and towards diagnosing on-site performance gaps, away from learning metrics towards understanding what your business impact should be at the outset.

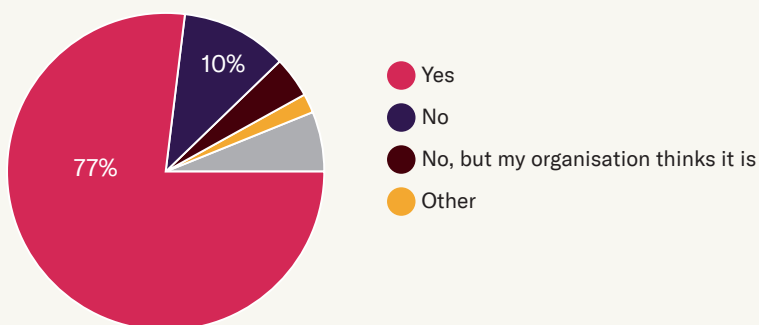
*“What defines learning impact? Short term, it’s time to competence. Longer term, it’s increasing expertise. In our Operations function at Dow we have developed an expertise index which shows that as the expertise (around critical skills and capabilities ) of individuals in a plant increases, the aggregate expertise for that plant increases. At a plant level, we can see results such as better safety performance, better asset utilisation, higher operational reliability, better employee experience and customer experience. So we’ve been able to show how increasing a person’s expertise in critical areas ties directly to bottom line results for overall plant performance and higher organisational agility.”*

Mitchel MacNair, global learning and career growth consultant, Dow Inc

## Return on investment

Three quarters of survey respondents believe that ROI is an important way for L&D to show value to the business – though many added that “return on expectations” is just as, if not more, important and is something that L&D can help to co-create by placing financial returns alongside other factors such as performance, retention, experience, corporate brand and more.

Do you think return on investment is important for L&D? (87 responses)



How to measure ROI in a way that creates a meaningful narrative around impact for business leaders is a different question. Many respondents clarified that they found ROI useful as a general guide for cost-benefits analysis rather than a rigid accounting formula.

ROI is perhaps best used as one component in a preponderance of evidence. For some organisations, a pure ROI calculation might be less important than benchmarking spend against other similar organisations. Other organisations that have undergone significant learning transformations have focused the business case on funding investment by delivering a per-head reduced spend for learning, taking advantage of efficiencies in scale and technology consolidation to deliver a better value proposition for individuals and for the organisation around building capability. Still others have been driven by a desire to democratise spend by standardising and integrating learning provision, to ensure that investment in and access to learning is evenly distributed across the organisation.

## Maximising ROI using data at Novo Nordisk

Novo Nordisk used to measure learning impact using participation rates and learner feedback. In 2020, the company began a new approach to identifying the return on learning, according to 5 categories: increased curiosity, skills growth, behavioural change, cultural change, and business performance change.

Maximising ROI required a step-change in mindset, but the L&D team started by hiring an analyst dedicated to understanding learning consumption and behaviours alongside impact data aligned to ROI categories. Skill growth, for instance, tracks competency over time through self-reported surveys. Behavioural change can be assessed through digital exhausts such as the ratio of meetings attended or proportion of Teams chats vs calls. Cultural change becomes visible through internal social media monitoring, listening to how teams talk about themes on tools such as Yammer, while performance change can be monitored using metrics such as sales conversion or reduction in the number of defects. To analyse all this data, Novo Nordisk built a unique standalone learning analytics ecosystem.

*“Data is pulled from learning systems, HR systems and operational systems into a single model with learners at the centre. This allows us to see the impact of learning activity on any ROI category, by any mix of demographic and content, and because we’re not tied to any one provider, our solution is massively scalable to include any new data sources which may emerge.”*

Derek Mitchell, learning analytics lead, Novo Nordisk

Because this data model tracks all learning and operational metrics across the business, L&D has control data for every view, which is vital to look not only at ROI related to learning interventions but also associated behaviours of learning audiences. One insight L&D gained using this holistic data view was that people were declining an increasing proportion of meetings using Microsoft tools across the year in 2021. L&D quickly isolated individuals who had taken time management courses and compared their behaviour to colleagues; they found that their declined meetings increased by 20% over a 12 month period vs 33% for the control population, suggesting that the learning had a significant impact at point of need.

L&D can also use the data model to better design learning interventions. Staff feedback during lockdowns reported receiving too many irrelevant emails, in part because of a “spray and pray” communications approach. To tell colleagues about an upcoming course with spare seats, an email used to go out to 45,000 people. Now, L&D can quickly identify individuals who have expressed interest in the subject, who have skills at the right level, are in the time zone and speak the language of the activity, and who are available at that time. Targeting those individuals with nudges in their preferred channels saves hundreds of hours of company time.

This data model means that L&D has a view of skills and abilities across the business unmatched by any other individual unit. L&D is therefore uniquely placed to help build agile teams with a mix of skills and abilities, enabling the highest skilled people from cross-functional areas to be pulled together for important projects, while other teams can be assembled for lower stakes projects where they can have space to develop. This is a non-traditional role for a learning team, but one which changes the conversation about what L&D is there to do and the operational impacts it can offer.

## Causation vs correlation

The tricky bit is that both L&D and C-suite alike expect to have to prove causation. This is impossible: there’s no such thing as “pure” learning. Any successful learning deployment in an organisation is based on ethos, culture, leadership and context, and any number of these affect the relation between learning and performance.

Instead, L&D must make the claim for correlation, which is easy to prove by implementing training and observing performance changes over time. Other factors

will apply, but if you can *replicate* the changes, with a population that's statistically valid, you can prove value.

In the 1990s, marketing was in a position similar to L&D in providing the C-suite with qualitative metrics around their advertising expenditures, mostly qualified reporting. The adjustment was marketing's adoption of quantitative metrics which led to the direct and timely tracking and correlation of advertising spend out to revenue in.

## The crucial shift: predictive, proactive, performance-oriented

Traditionally, performance has been separate to learning, but a performance management approach to people, with an annual review and ratings, is giving way to a more agile real-time skills assessment in the flow of work. Shifting from tracking engagement to showing impact means moving from assessing learning to evaluating performance and behavioural change. Performance management needs to be reinvented as performance development – an approach based on how to improve performance by supporting the growth of people.

A strong system to develop performance requires a clear sense of:

- Key skills relating to the success of your organisation.
- Clear and smart goals to clarify what good or excellent performance looks like.
- A well-defined development/training plan, scaffolding these skills.
- Coaching and mentoring.
- Assessing performance after a certain period related to these skills.

Business leaders and L&D practitioners must be prepared, committed and educated to do that together. If organisations have a learning strategy, they can look at the evaluation and move to predictive learning interventions. But you have to take that step first: what am I trying to measure? What is the intended outcome? What data needs to be collected to inform decisions?

### Predicting learning needs with Watershed

An international professional services organisation rolled out Watershed to around 350,000 employees, alongside a new L&D task force to focus on everyday reporting in order to more effectively support learners. In the early days of the Covid-19 pandemic, as China and Italy experienced lockdowns first, the organisation noticed spikes in unique search terms across its learning experience platform as learners in those regions sought support in dealing with the crisis.

This data-driven approach led to the creation of new modules on trending topics, such as wellness, working from home, and establishing trust online. The new content was quickly rolled out across all regions, pre-empting learner needs as Covid-19 spread. While the organisation's results may not show immediate cost efficiency savings or hours gained, the L&D team paid close attention to its NPS scores while transitioning from face-to-face to a full digital mode; these scores actually saw a slight increase after the change.

This predictive approach was made possible by connecting the organisation's learning ecosystem to Watershed for enhanced reporting. Everything from their LXP and LMS



to video content libraries were feeding in data about learner interactions and system use. The challenge of getting global insights from a learning ecosystem is that each system has its own reporting, there is no consistent underlying dataset, and separate systems will create duplicate learner records when you start aggregating the data. Watershed connects to each individual data source (via an API, CSV file or xAPI direct feed) and converts the data into xAPI statements. Crucially, this is then aligned with HRIS data. This in effect means it becomes possible to align any learner interaction with that individual, whatever system or platform their interaction happened within. From here, you can choose how granular your insights go, from individual learner records to platform use, through to catching regional, live-time trends such as the COVID-19 'wellness' searches.

*"If organisations already have an impact measurement strategy then they can look at learning evaluations and move to predictive learning interventions, but they have to take a step first: 'What am I trying to measure? What is the intended outcome?' Utilising AI to be able to make recommendations and deliver content is a super cool prospect, but you need to have clean data and you need to have it aggregated, otherwise it's just going to be garbage in/garbage out".*

Bill Conran, vice president, business development and strategy, Watershed

## Data-driven decisions

Organisations are starting to take seriously how to join all these things together – and how to use data to inform and visualise decisions. The scale of the task can seem daunting. If you don't have access to data analysts or a dedicated budget, learning analytics can feel like a chicken and egg scenario: getting started feels tough without expertise or funding, yet you suspect you cannot get budget without proof that it works. It can feel particularly challenging to unpick a technology ecosystem that has accumulated in a fragmented fashion over time, with a number of different data sources and disparate systems that record data in different formats.

But the technologies and capabilities to close that gap around data and reporting between what C-suite wants and what L&D has traditionally offered are changing. The data is there. The biggest barrier is integration, credibility of data and levels of data input, based on which you take a decision.

**Technology is an enabler. The future of L&D is human-led and tech-powered. Attitude, culture, and processes can all be scaled using technology.**

*"It's unforgivable to not know what difference we're making to the business in L&D. The gap is widening every year between the "haves" and "have nots". Those collecting significant data are building reports and expanding their insights over time. Those who aren't don't seem to grasp what they're missing, or what advantages the others are gaining in insight. If they did, they would be getting on with it a lot faster!"*

Piers Lea, chief strategy officer, Learning Technologies Group

# 03

Recommendations  
for *learning and*  
*development practitioners*

# Doing things the old way is not an option: new challenges require tools outside the traditional L&D toolbox

*“Fieldwork and practice are the two cornerstones of L&D. The only way you understand what’s going on in the world is fieldwork, going out into the business and listening carefully to what people tell you. And unlike virtually every other professional group, L&D has no concept of practice. If you’re a practitioner, by definition you develop your practice. A doctor does not simply go on a course, they constantly develop their practice, and if they don’t they’re in trouble. If you do fieldwork and practice, then you understand what the real issues and challenges are, and you can measure yourself by how well you solve those challenges.”*

Dr Nigel Paine, learning and leadership expert

1

## Never stop learning

If L&D is to encourage others to upskill, reskill and meet the future of work head on, then L&D practitioners must also be willing to step out of their comfort zone to learn new things, in order to become a strategic partner for business leaders. Yet compared with other active learners on LinkedIn, L&D learners spent 23% less time learning in 2021.

Upskilling in data analysis, change management, and business core skills will all be vital to start talking the language of the business and enable the right conversations about strategy.

This is also an opportunity for social learning, connecting experts with experts to share their own learning history and paths, what they are currently learning. This becomes a skills map in its own right.

2

## Do fieldwork

The only way L&D practitioners can understand what’s really going on in a business is by going out and talking to people on the ground. Talent strategies cannot be designed, developed and implemented from within HR. L&D leaders should set up regular strategic conversations with their counterparts in core operational areas, to ask: “Where is your department/division headed? What do you see as the crucial skills and capabilities going forwards?”

Time and competing priorities may mean you face initial scepticism, but don’t take no for an answer. To become truly predictive and pre-emptive – to identify and solve business needs as they arise – L&D needs to stop providing learning on demand and start pro-actively scanning business results, talking to the people responsible, verifying what’s going on and identifying the need. Until L&D stops being “order takers” and starts being “order makers”, you cannot demonstrate your true business value.

*“We have to begin by asking the question: is performance not happening because people need to learn something or is it not happening for any number of other reasons? In my experience, the vast majority of people really care about getting it right but they’re blocked by something. And quite often, it’s not something they don’t know or understand. It’s something they can’t do. They know exactly what it is they need to do and should do, but there are practical barriers in the way. If L&D just provides training to order, we’ll bombard them with stuff that doesn’t help day-to-day. But if you get really close to the end users’ reality, what are their concerns and cares, what are they actually struggling with? That’s the most valuable thing.”*

Helen Smyth, vice-president – operations, Franklin Apprenticeships

### 3

## Be business oriented and find a champion

L&D has been too deferential for too long. The skills crisis is changing everything, and L&D must not wait for organisations to identify problems and request learning solutions: L&D must go to the business and advocate for change. Many L&D practitioners see their role as primarily supporting individuals to learn, not as supporting the CEO to deliver the aims and aspirations of their organisation. But learning is simply a lens sitting over an organisation offering targeted insights. Just as finance or marketing offer other lenses to senior management, the power of human capabilities is a very powerful lens to look at the world through. If your CEO isn’t listening, that’s a failure to convince your CEO of the urgency of skills.

Look for someone in upper management with the vision to see where learning analytics can take your organisation, someone who recognises the changing environment, or who can see the importance of keeping up with peers as they evolve. Concede any C-suite/L&D communication issues that may have previously existed; outline your plan for aligning learning performance with business KPIs; ask for specific business metrics needed; and identify specific changes and the ways they can be accommodated. Many hugely successful learning transformations have been undertaken without additional upfront investment by identifying efficiency savings through remote delivery, tech ecosystem rationalisation and “easy win” productivity gains.

### 4

## Simplify skills frameworks to experiment

Creating comprehensive skills frameworks from scratch can become a vortex of time and effort: it’s difficult to align stakeholders around taxonomy, by which point the skills are often no longer relevant in a world of constant flux. The skills agenda for L&D needs to be more agile. Start with a text analysis of your business strategy:

What are the five key things we want to happen in this organisation?  
What are the skills everyone needs to be able to do, in order to achieve that?

Rather than starting out on a multi-year project mapping skills to levels and roles, identify overarching purposes within the scope of your business strategy then work on common denominators that people need across the board. Instead of debating the best approach, test a hypothesis with a small group, see if it makes a difference and respond.

5

## Learning isn't always the answer

L&D doesn't need to provide a solution to make an impact.

Where a deficit in performance is identified, speak to those involved to understand what they're struggling with. People will tell you the barriers to productive working if you know how to ask and actively listen with an open mind. Is performance not happening because people need to learn something, or is it not happening for other reasons? What would actually help them? A learning experience, or a resource to refer to in the moment? A supporter, mentor or coach? A chance to practise skills/tasks in low-stakes environments? If L&D objectives can be aligned with business outcomes instead of learning goals, it suddenly becomes possible for L&D to make a difference in many ways.

6

## Teach people how to learn, as well as what to learn

Reskilling requires autonomous, optimistic, engaged learners. In this context, facilitating dynamic teaming, self-organising, and self-determination is as important as delivering content. L&D can inspire people to work independently, to manage conflict, to create a language around change and work that helps people reflect. eg is this meeting productive? How could we improve this meeting? If you empower everybody in an organisation to be able to express the barriers to great work or gaps they can see, it will embed a more autonomous learning culture.

7

## Test, test and test again

Many learning designers build programmes using instinct or prior experience. They launch them then then seek to gather evidence about impact. This would not be the process for any other product launch in a business context. L&D must use a design thinking process in learning: make two or three different versions of a programme, test and be led by data around what is performing better, then try to replicate it in other contexts. Use hypothesis models to see which training is actually creating better results in the business, then scale up.

L&D DOESN'T  
NEED TO PROVIDE  
A SOLUTION TO  
MAKE AN IMPACT

# Recommendations for organisations

Organisations are starting to realise that competitiveness depends on their people. The priority now is to operationalise rhetoric around the importance of learning. How do you retool an organisation from end to end, to place impact at the heart? This will mean reconfiguring approaches to recruitment, performance management and data collection.

1

## Start small and start collecting data now

Depending on your organisation's maturity in this area, it's not necessary to jump right in at the deep end. Metrics can be adjusted to meet evolving business needs.

A framework to start thinking about learning impact in business contexts can begin simply. One objective may be to launch compliance training on time, on budget, accessibly and deployed globally – and in this scenario, learner engagement is a perfectly valid business outcome. For those further along in their thinking, there is a journey towards performance enhancement and long-term behavioural change that starts with business objectives, to which you can very quickly attach metrics to validate and demonstrate your ability to deliver that impact.

The key is to start collecting data now, with sound foundations in data privacy, GDPR compliance and secure data storage. Even if you don't currently have the capacity for analysis, a large and growing dataset will provide a foundation for future decision-making. (See our "How to get started with data" guide on page 33)

2

## Standardisation is smart

Organisations need to realise they're not all unique and don't have to do things differently. If your most common talent inflows and outflows are to similar companies, how different are you really from each other? There's a fundamental leadership decision point here about standardising. It will, for example, be far more efficient to leverage a generic skills taxonomy such as the [World Economic Forum](#) and tweak to fit your organisational strategy than to design one from scratch. It will help shortcut the work required.

3

## Design your tech but don't overcommit

Any organisation has a range of technologies that they're already using, from LXPs to social networks. If that's where the people in your organisation live, where they go with questions or to share information, then that's where they're learning. Go to them. Don't try and get them to come to you.

However, without appropriate learning technology to scale up interventions, you risk losing the advantages created by becoming more efficient at upskilling and reskilling. Most organisations are grappling with a vast and fragmented tech ecosystem, which as we have seen is not gathering the data required to prove or improve learning impact. To change this, interoperability must be the key ecosystem design principle across three levels: front-end user experience, content libraries, and data and analytics foundations.

The learning tech space is fast moving, and you want to be able to respond nimbly depending on how the market changes. Large organisations should aim for a consolidated stack with longer term commitment to some core technologies (eg LMS

for regulatory training, which needs to be consistent), as part of a consciously designed ecosystem that allows for plug and play with more specialist offerings. For small organisations, an LMS is better than nothing, and an LXP is worth investing in to create the best possible experience for employees and cultivate a learning culture.

## 4

### Learning needs linking up

Learning is part of a portfolio of wider talent-related metrics, including recruitment, retention, progression and more. Only by linking these will it be possible to discern meaningful patterns around impact, set concrete objectives and create genuine accountability on diversity and inclusion.

Imagine a system where an initial analysis is created during the recruitment process and onboarding. This capability review forms part of an initial employee register, which feeds into HR systems to be integrated with inputs coming from line managers and subsequent performance development reviews. This comprehensive data on an individual's progress can be connected to business KPIs, all galvanised to recommend impactful learning at the point of need. Ecosystem interoperability is vital to achieving this, but so is organisational design. Organisations creating dedicated roles cutting across functions, such as Head of Reskilling or Head of Talent & Diversity, are making the most progress.

## Recommendations for policymakers

Policymakers have a role to play in supporting and empowering individuals and organisations to meet the massive challenges in the world of work: shaping policy to support skills acquisition and skills development, and bridging the gap between employer needs and what the skills and training system delivers.

## 1

### Mind the gap

With automation and other future of work trends well known, how can we all work together to link individual incentives to strategic workforce plans? This is currently out of kilter: incentives in the current education/training system are not encouraging people into in-demand areas, or endowing experienced learners with the confidence to move across into new fields. Top-down initiatives, such as the [Lifetime Skills Guarantee](#), are dependent on individual engagement. To ensure this is a success, government needs to join up incentives for individuals, employers, higher education, further education and other stakeholders to get everybody into impactful, high-quality and sustainable training.

## 2

### Coordinate external benchmarks for learning

L&D has few sources of external data, which means organisations struggle to make meaningful comparisons or to reliably benchmark their progress. This means that learning decisions can be inward-looking and disjointed across sectors. World Economic Forum ESG metrics offer one option as a basis – learning hours, learning hours per person, learning spend (as % of budget) and satisfaction with learning opportunities at organisation – though they don't emphasise impact. But creating standard metrics to externally report and compare would help to standardise reporting and provision.



3

## Improve human capital management reporting

With this need for learning benchmarks comes the idea of wider reporting on human capital (HC) in a manner analogous to firms' annual financial reporting. In the UK, the requirement for an expanded annual Operating and Financial Review (OFR), including HC reporting, was enacted in March 2005, only to be withdrawn in November, in an apparent attempt to bolster the Labour government's deregulatory credentials.

Elsewhere, however, investors are increasingly demanding HC information. In the US, investors' group the Human Capital Management Coalition successfully lobbied the Securities and Exchange Commission to require, from August 2020, public companies to boost HC reporting. A lack of clarity about requirements, however, has since led to some investor frustration. Meanwhile, companies such as international financial services provider Allianz are producing their own extensive annual HC reports to meet investor's needs. Policymakers should refine and improve the existing work in this area to identify more exactly investors' need, and help organisations know what they should report, and how they should report it.

## Tips for founders

1

### Listen, don't solutioneer

Don't step into a situation with solutions already in mind (UK chartered psychologist Nigel Harrison calls this 'solutioneering'). To provide something that actually solves business problems, third parties need to understand operational contexts and work collaboratively. Organisations do learning for different reasons and want different outcomes, so the data capture has to be bespoke, because the business objectives are bespoke. This involves a combination of common templates and personalisation, both by algorithms and (ideally) by coaches.

2

### Design with diverse audiences in mind

Currently the typical use-case for design is upskilling existing teams. But a broader view of design principles and of who you're catering for, both now and in the future, is vital to ensure ongoing relevance, taking into account wider organisational ambitions around reskilling, future workforces and D&I.

This means assessing using different metrics, thinking not just about size of catalogue, number of users, their outcomes or satisfaction but also seeking more granularity around *who* is benefiting and how your solution can contribute to a more diverse workforce. When testing design, put it in front of other diverse people who *aspire to be* in those teams and see which platform they like best. Access and inclusivity will become increasingly part of procurement processes, so platforms must meet this need upfront.

3

### Aggregation is an asset

Complex problems require complex approaches to solving them. As organisations become more conscious about their tech ecosystems and prioritise integration, platforms can add value by offering multi-provider aggregation and navigation. To provide multiple pieces of the puzzle in one place makes a difference for an



organisation, such as the ability to follow an individual's full learning journey from recruitment and capture tracking data throughout, or to support two-way integrations with learning providers so that organisations automatically know how someone is progressing, or to offer many kinds of priority career pathways that can be systematically coded to actively learn what next steps help people over time.

## 4

### Remember we're human

The endgame of measurement should not be proving the effectiveness of learning, but moving to a system of predicting needs in real-time. But most organisations do find it hard to see how metrics show reduced effort – they struggle to see the difference to how the business operates, day to day. This human side of learning needs to be addressed alongside technology, especially given post-pandemic digital fatigue. There is an opportunity here for founders to create a narrative about efficiency, standardisation, integration and avoiding duplication. Rather than starting with the tech, focus on what tech enables in terms of how the business will operate, and the cost savings that can be found via simplification and automation. This means attention to process as well as adoption.

## How to ... get started with data

Data presents an opportunity, but it can also become a barrier. L&D needs to **avoid analysis paralysis**.

### Here are some key principles for getting started:

- You already have more data than you think. Find out what you are capturing and where.
- The gap is widening every year between “haves” and “have nots” – those collecting significant data are building reports and expanding insights over time. The message to those without processes or strategies in place would be to start collecting data now. Interoperability across datasets is getting better every day, and even if you're not ready to analyse or use the insights for several years, it provides a meaningful dataset to build decisions from. (For example, LTG supply Watershed for free.)
- Data governance and data cleaning are fundamental. If you get it wrong even once, you lose a lot of goodwill and faith. Using AI and machine learning to make recommendations and deliver content is a great concept, but you need to have clean data and you need to have it aggregated or else it's just going to be garbage in/garbage out.
- Don't miss the crucial step: it is difficult to track learning and tie this to financial metrics without measuring behaviour change. L&D often skips over this thought process around design questions to know what data to collect to measure behaviour change, as part of impact.

## Q+A interview with Jennie Drimmer, senior regional director, Coursera for Business



**Coursera for Business supports more than 2,000 business customers worldwide to deliver on strategic business goals by building critical skills, as part of one of the world's leading online learning platforms where 102+ million learners from around the world come to learn skills of the future. More than 250 of the world's top universities and industry educators partner with Coursera to offer courses, specialisations, certificates, and degree programmes.**

### **How are you staying ahead of emerging skills trends?**

I'd highlight two key pieces on how we're doing this and bringing that capability to our clients. First, we're in a really unique position because of the 100+ million learners we support. As you can imagine, what is going to give you better insight on emerging skills trends than the data on what learners globally are looking to learn? Beyond this, the assessments that learners take gives us unparalleled insight into global skills proficiency levels, and we can use this data at both a country and sector level to help our clients understand where they are leading or lagging against peers.

Additionally, our 250+ partners, spanning the likes of Yale, Imperial College, Meta, Google and Salesforce, have their own unique insights on emerging skills trends that they bring into our partnerships and the content they build for us. And this is complemented by what our clients are telling us – we maintain a very tight focus on capturing and acting on this customer voice as well.

It's also been fascinating to talk with companies all the time who have hundreds if not thousands of learners on Coursera, often without the awareness or sponsorship of L&D. I feel that sometimes in L&D we can under-appreciate just how much our team members have that impetus to learn truly job relevant skills, and actually a pretty impressive understanding of what they need to learn to stay current in their role – and to get ahead where their skill set may be aging. People go to where they can find the learning that they need. There's a chance to learn from that.

### **What are some of the challenges that make measuring learning impact difficult for businesses, and how can they be overcome?**

If we're finding resistance and it feels like L&D is pushing a boulder up a hill, we've got to step back, think about why that is and ask ourselves some tricky questions.

Sometimes in L&D we can get boxed in – tech says “go get this content on x”, marketing says “go get his content on y” – and that's not a very exciting place to be. We lack the ability through data to say, “hey, tech leader, have you also realised that we've got a deficit in this specific skill set? Hey, marketing leader, have you thought about

these other skills that our competitors within our sector are more advanced on?" The analytics to empower L&D as true partners to the business is something that I see as a real need and opportunity.

One of the biggest shifts in the last 10 years has been standalone HR analytics teams but L&D has often trailed behind this, still focusing on legacy metrics such as learning hours and completion rates. Our conversations with clients are more around, "Do you know where you're strong? Do you know where your gaps are?" You've got anecdotal feedback from your line partners, but it's really hard to build a strategic plan from anecdotal feedback. The big data that we're able to bring to bear doesn't necessarily give you all the answers, but it can offer prompts and provide credibility to elevate the role that L&D can play. Technology can now do a lot of the work that L&D has historically done on things like curation and learning pathways, and that shouldn't be a threat to us – it's a real opportunity. We're freeing up time to really think about our role and what value we can add.

One of the most important things about impact for businesses is finally being able to say, "if we learn these specific topics, at the end of the year what have we done to move the dial in our skills proficiency in those teams?" That is a huge step forward to get to the ROI of learning in a meaningful way. To enable this, we have recently launched LevelSets, which are opportunities to go through a short assessment of your skills in a specific area so that when you start learning on Coursera it flexes content recommendations around your level. The impact this can have on automating customisation at scale is absolutely huge. And it's supporting learners to make their learning feel relevant, specific and timely to what they need – you can actually see for yourself where you're progressing relative to the skills the business needs.

### **In your experience, how can L&D strengthen communication with senior leadership to show the value of learning for businesses?**

There's a real need for L&D to speak the language of the business. One of our UK clients is doing something super smart: they have ex-practitioners from different parts of the business in L&D, without an L&D background. Those people speak the language of their line partners, who have a much deeper understanding of where that area of the business is going and the skills required. That really leads to a different level of credibility.

Innovative approaches like that are really important, because if we take legacy metrics like learning hours to a CFO it's a "so what" moment. L&D needs to have consistent metrics that align with what your CEO is trying to accomplish. Look at what your CEO talks about time and time again. Those areas that are top of mind for your business – at least one of those should be your north star that everything else is linking to.

### **What advice do you have for a startup in this space?**

For me, everything comes down to product market fit, and really understanding the "why". You can create all sorts of whizzy solutions that do all sorts of cool sexy things, but what's the "so what?" behind this? What is the pain point that you are really addressing for your business stakeholders? Everything starts and finishes with that.

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# Appendix: methodology

## The survey

The survey had three sections – ‘Learning and performance’, ‘Strategy and processes’, ‘Technology’ – with a mix of obligatory and optional questions.

## How the survey was run

Polling ran from March to May 2022. Respondents were contacted by social media and email, and 92 people participated.

Respondents to this survey are self-selecting and unscreened. We cannot guarantee that they are involved in L&D, although the targeted nature of the promotion and nature of the questions makes this very likely.

## About Emerge


Emerge is a European seed fund investing in founders solving the \$8.5tn skills gap. Emerge provides founders with unrivalled education sector insights, as we're the only fundbacked by the world's foremost education entrepreneurs. Together, we are building the future of learning.

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