Learning & Development: A Prescriptive Vision for Accelerating Business Success

Corporate learning is increasingly critical to business, but traditional approaches are inefficient, overly rigid, fragmented and unconnected from employees' daily work – and thus ripe for transformation – as recent research reveals.

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An effective L&D strategy goes hand-in-hand with both responding to and benefiting from change.

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Introduction

For companies across all industries, the learning and development function (L&D) has become more and more important – and what it needs to accomplish has expanded dramatically.

Today, companies are seeing accelerating change on many fronts, from corporate transformation efforts and evolving customer behavior to the new work and operating models necessitated by the COVID-19 pandemic. Companies have a growing need to pivot quickly in the face of change, which often requires abrupt shifts in the skills and knowledge that are essential to a modern workforce.

The nature of work itself is changing as well. New jobs requiring new skills are emerging rapidly. Increasingly, employees will need to not only understand and operate advanced technologies, but also learn to work in partnership with artificial intelligence-powered (AI) virtual team members, i.e., bots. And they will be called on to drive innovation in products and processes to continuously increase efficiency and elevate competitiveness.

In short, constant and rapid change has become the new normal for companies and workers alike. An effective L&D strategy goes hand-in-hand with both responding to and benefiting from change.

But traditional methods of corporate learning cannot keep up with today's turbulent pace and breadth of change; in general, they are too rigid and fragmented, too unconnected from employees' daily work, and too inefficient and costly. We believe that L&D organizations have a requirement – and opportunity – to apply new technology to provide their employees with the up-to-date skills that can transform their offerings and themselves. The goals: Enable learning to be more focused, personalized and relevant; provide a variety of lifelong learning opportunities to build skills and knowledge; and make learning an integral part of the work flow.

By and large, companies understand the need to transform L&D, according to our recent survey of 500 U.S. L&D leaders in organizations with 500 or more employees (see Methodology, page 18).

Looking ahead, survey respondents clearly see a different approach to L&D taking hold.

For example, 64% predicted that more than half of their learning will be offered virtually within two years, up from 38% today. And 77% of respondents said their companies are likely to replace their learning management systems (LMS) with a learning experience platform (LXP).

Tomorrow's approach to L&D will need to be more flexible, engaging and responsive to digital change underway in organizations. How are companies planning to achieve that vision? Our study found that they are pursuing reskilling and upskilling strategies; establishing metrics to better track the impact of learning; and partnering with other parts of the organization – especially IT – to improve learning.

Above all, however, respondents see technology as critical. Many survey respondents report they are already implementing technologies such as LXPs, virtual learning and AI, and they plan to expand their use of technology over the next two years. At the same time, they are planning to upgrade the skill sets of the learning staff in the coming years in such areas as people analytics, design and facilitation of virtual learning – and keep a tab on emerging technologies.
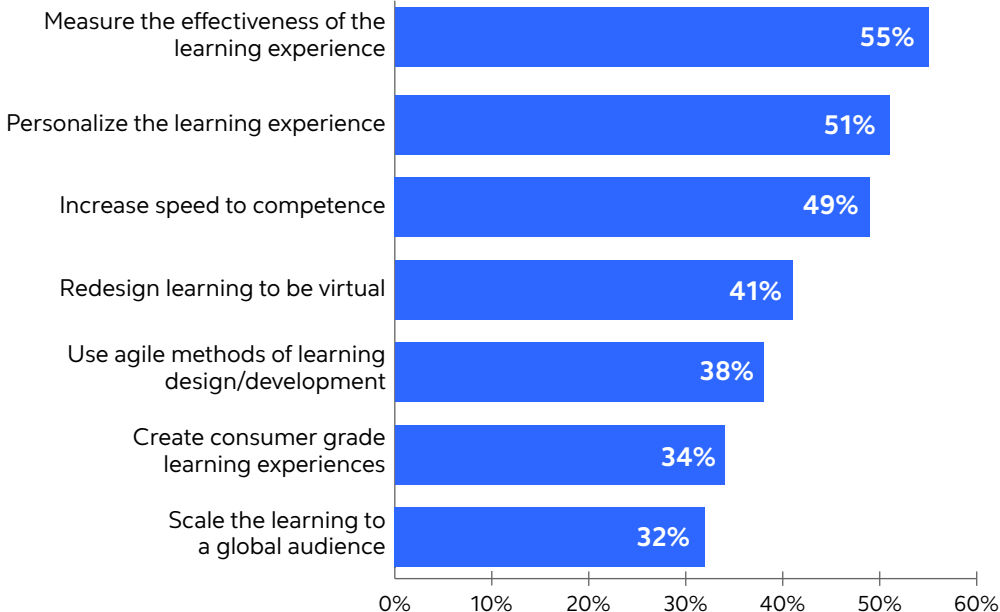
With this range of challenges, coupled with the urgency to improve, L&D organizations need to plan carefully, rethink their processes and people, and move ahead quickly to transform themselves for an uncertain and constantly shifting future.
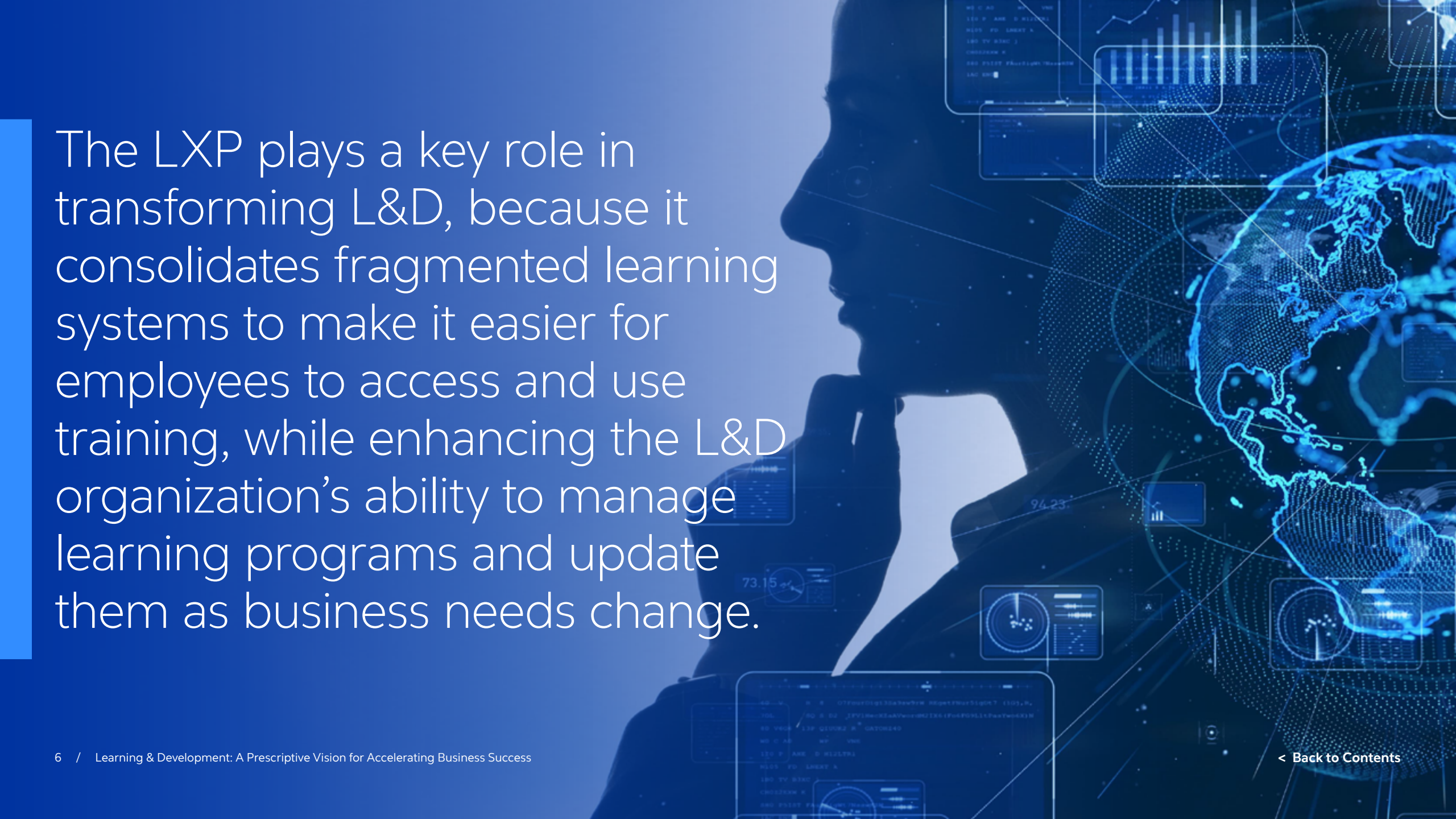
Envisioning the future of learning

When asked which principles best described the desired future state of learning in their organization, respondents most often named measure the effectiveness of the learning experience (55%). This was followed closely by personalize the learning experience (51%) and increase speed to competence (49%). In addition, many respondents cited factors such as making learning more virtual, improving the learning experience, and increasing agility in learning design and development.

In assessing the innovations that companies plan to leverage over the next two years to put these principles into action, L&D leaders identified two technologies they see gaining traction: LXPs (52%) and virtual reality for training (50%). Interest in these two technologies is understandable. The LXP plays a key role in transforming L&D, because it consolidates fragmented learning systems to make it easier for employees to access and use training, while enhancing the L&D organization's ability to manage learning programs and update them as business needs change. And virtual reality is rapidly emerging as an effective tool for enhancing the learning experience, allowing employees to practice difficult situations and embedding learning into employees' work.

What principles best describe a desired future state of learning you want to create in your organization?

Principle	%
Measure the effectiveness of the learning experience	55%
Personalize the learning experience	51%
Increase speed to competence	49%
Redesign learning to be virtual	41%
Use agile methods of learning design/development	38%
Create consumer grade learning experiences	34%
Scale the learning to a global audience	32%

Response base: 500 U.S. L&D leaders
Source: Cognizant and Future Workplace LLC
Figure 1

The LXP plays a key role in transforming L&D, because it consolidates fragmented learning systems to make it easier for employees to access and use training, while enhancing the L&D organization's ability to manage learning programs and update them as business needs change.
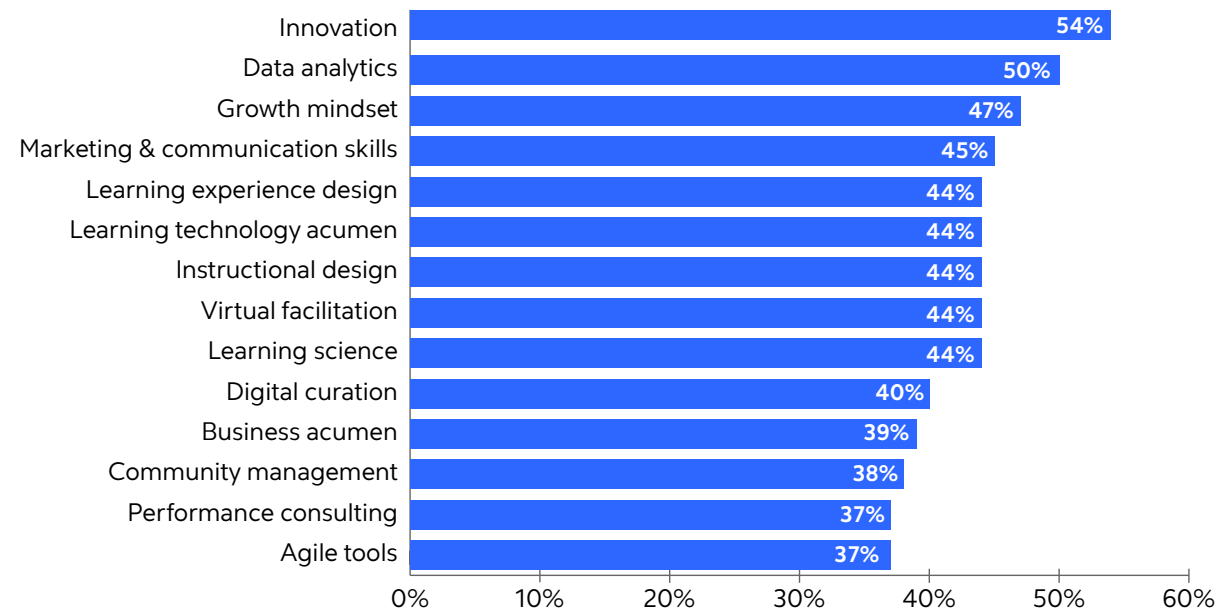
Skills: What L&D teams need to learn

While L&D organizations are helping the business reskill for the future, they also need to enhance their own skills to make that possible. If employees are to become lifelong learners, L&D professionals will have to do the same to keep up. High on the list of key skills for L&D in the coming years cited by our respondents were innovation (54%), data analytics (50%) and growth mindset (47%). These overarching "meta-skills" are presumably valued because they are vital to leading change and delivering business results. Respondents also said skills related to virtual technology (44%) and learning technology (44%) were important, underscoring the growing role of building technology acumen among L&D teams and communicating the value of investing in the function.

To increase skills in the L&D function over the next two years, respondents said they were most likely to add new full-time employees (31%). However, other respondents said their organizations were most likely to follow approaches such as adding contract workers (18%) or leveraging talent from vendors (18%).

How important will the following skills and capabilities be for learning professionals in the next two years?

Percentage responding "very important"

Skill	Percentage
Innovation	54%
Data analytics	50%
Growth mindset	47%
Marketing & communication skills	45%
Learning experience design	44%
Learning technology acumen	44%
Instructional design	44%
Virtual facilitation	44%
Learning science	44%
Digital curation	40%
Business acumen	39%
Community management	38%
Performance consulting	37%
Agile tools	37%

Response base: 500 U.S. L&D leaders
Source: Cognizant and Future Workplace LLC
Figure 2

If employees are to
become lifelong learners,
L&D professionals will have
to do the same to keep up.

Assessing the impact

L&D organizations and business leaders need effective measures of the performance of learning programs – a reflection of L&D's increasingly important role in enabling their companies to navigate a changing landscape. Over the next two years, companies are most likely to use effectiveness (54%), efficiency (52%) and knowledge gain (49%) as metrics for assessing the impact of learning programs. Far fewer respondents cited cost reduction (35%), revenue increases (35%) or net promoter scores (20%). This means that L&D organizations may be falling short in tying learning to tangible business outcomes and value, and there is a significant opportunity to broaden their measurements to include business metrics such as revenue increases, cost reduction and net promoter score (NPS) to strengthen the business focus.

Which of the following learning impact measures does your learning department intend to use in the next two years?

Measure	Percentage
Effectiveness	54%
Efficiency	52%
Knowledge gain	49%
Learner engagement	47%
Proficiency	45%
Accessibility	43%
Speed	42%
Cost reduction	35%
Revenue increase	35%
Scale	22%
Net promoter	20%
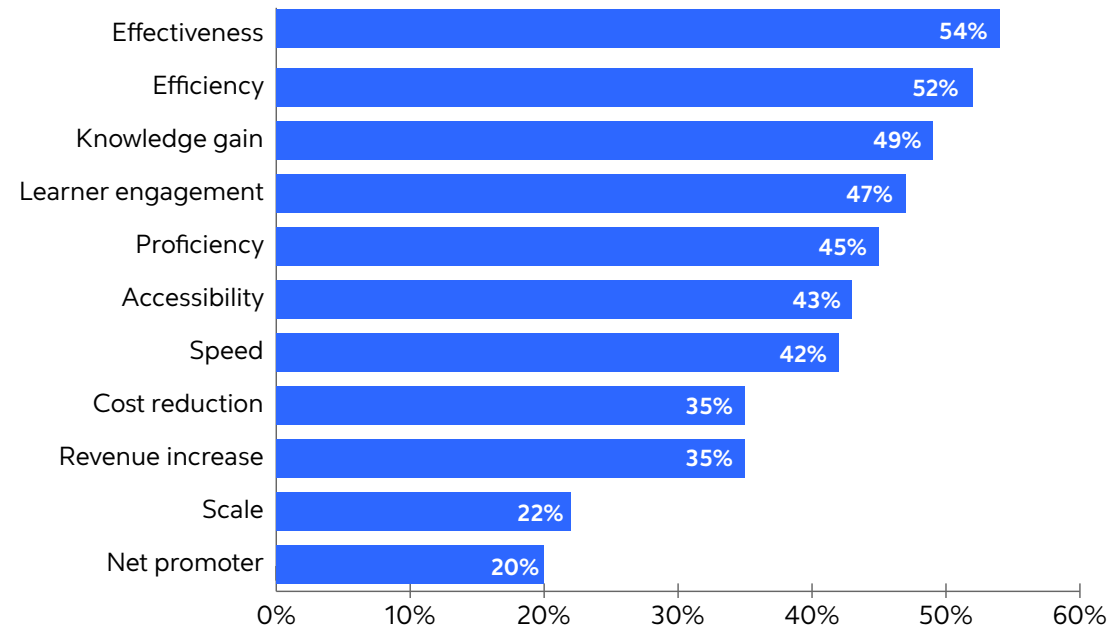
Response base: 500 U.S. L&D leaders
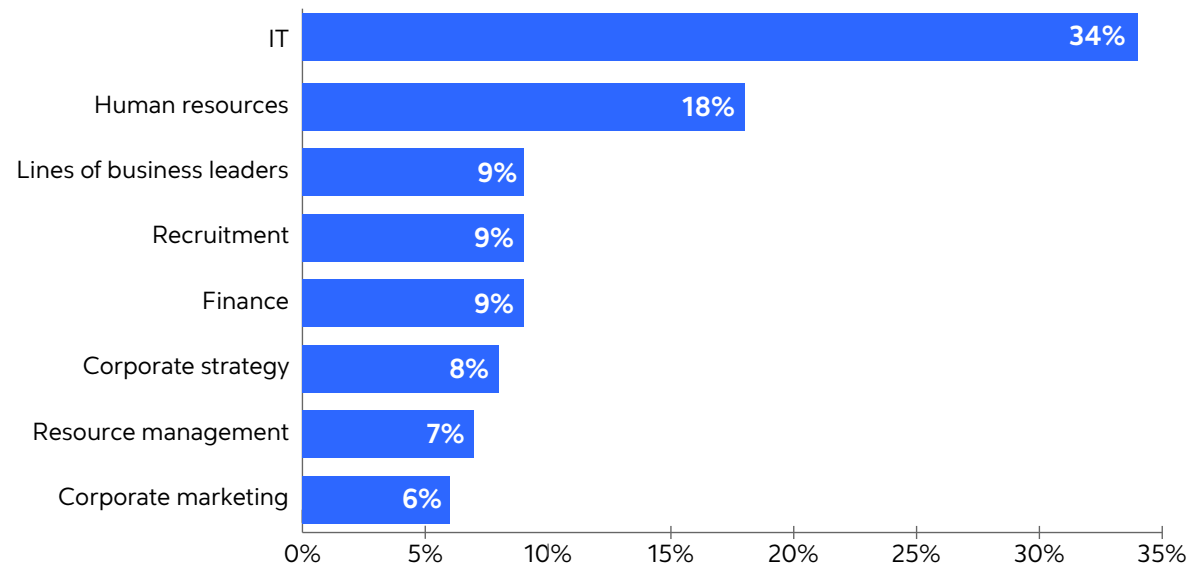Source: Cognizant and Future Workplace LLC
Figure 3

Working across functions within the organization

To be effective in a fast-changing world, L&D needs to partner with various functions in the company to keep current with their evolving needs, and to collaborate on improving learning. When asked which single function will be most beneficial to achieve their vision for L&D, respondents most often named IT (34%), almost twice as often as they named HR (18%).

Notably, only 27% of respondents said L&D currently partners with line of business leaders, and just 9% considered a partnership with lines of business to be most important for future success. Here again, this means L&D is missing critical inputs needed for aligning its strategies with the organization's strategic business priorities.

To achieve the future vision of learning in your organization, which function would be the most beneficial to partner with the learning department?

Percentage ranked #1

Function	Percentage
IT	34%
Human resources	18%
Lines of business leaders	9%
Recruitment	9%
Finance	9%
Corporate strategy	8%
Resource management	7%
Corporate marketing	6%

Response base: 500 U.S. L&D leaders
Source: Cognizant and Future Workplace LLC
Figure 4

Notably, only 27% of respondents said L&D currently partners with line of business leaders, and just 9% considered a partnership with lines of business to be most important for future success.

Technology takes center stage

Technology is disrupting L&D, just as organizations are going through digital change. When respondents were asked which L&D technologies their companies were using or expect to use within the next two years, roughly 67% said they use virtual online learning today and 60% expected to do so in the future. This reflects the increased use of remote learning resulting from the COVID-19 pandemic. In the long run, learning delivered through virtual reality and LXPs is expected to augment virtual online trainings.

Meanwhile, 50% of respondents said their companies are using LXPs and 56% expected to do so over the next two years. Often, companies use both an LXP and their existing LMS technologies to give them time to transition completely to the newer platforms. Looking ahead, 77% of respondents said their companies are at some point likely to specifically replace their LMS with an LXP – a step typically taken to consolidate and simplify the traditional fragmented, multisystem LMS landscape.

In general, respondents expected their companies to employ more new technologies in the future. For example, while 33% of respondents said their companies use virtual reality learning technology today, 44% expect that they will do so over the next two years. Similarly, augmented reality is used by 20% of companies today, but 30% expect to use it over the next two years.

Which of the following technologies for learning and development does your company use or expect to use within next two years?
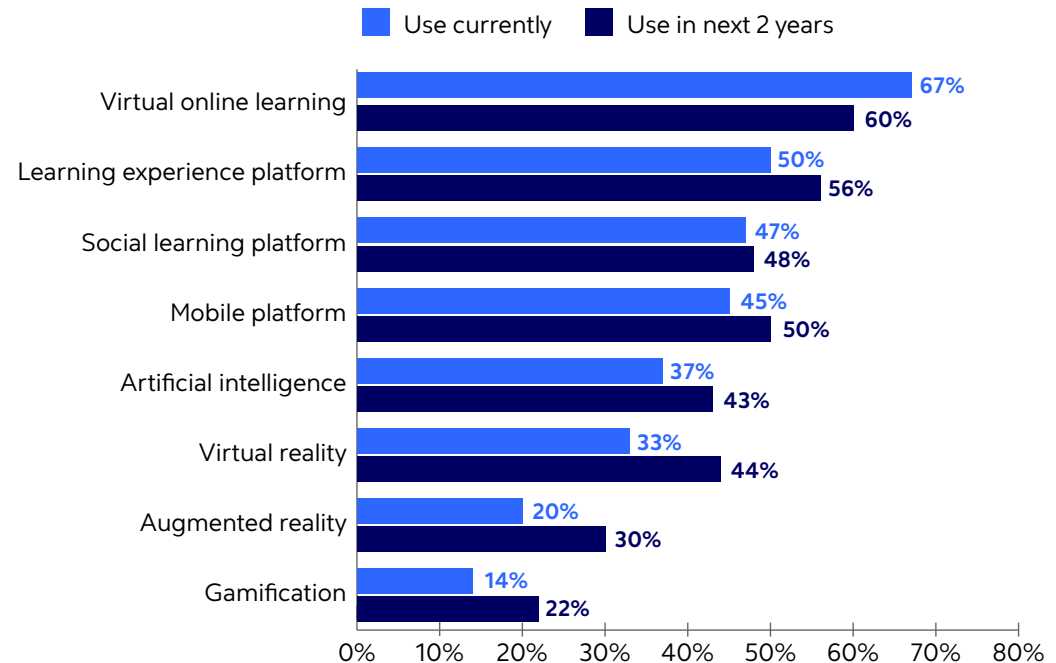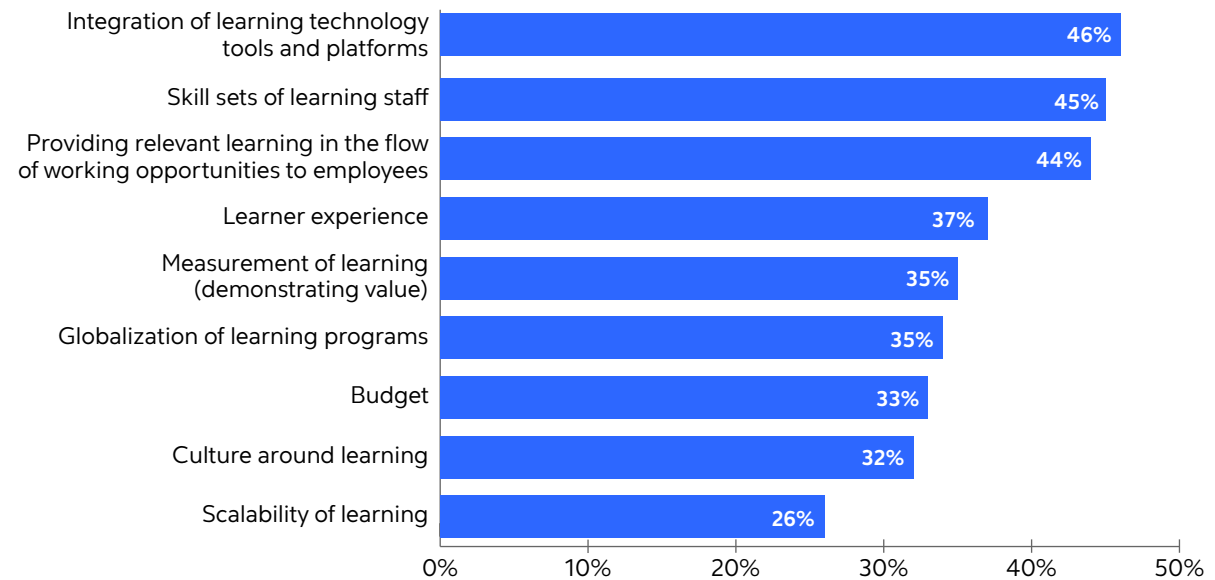

Response base: 500 U.S. L&D leaders
Source: Cognizant and Future Workplace LLC
Figure 5

What's holding back L&D?

Technology is seen as both a barrier and an enabler. The top challenge to L&D organizational learning cited were integration of learning technology tools and platforms (46%), followed by skill sets of learning staff (45%) and providing relevant learning in the flow of working opportunities to employees (44%). But one-third or more of respondents also cited the learner experience, measuring learning results to demonstrate value, globalizing learning programs, budget and learning culture. Costs can also be a challenge, with respondents saying their companies spend, on average, between $501 and $1,000 per employee per year on L&D.

What are the top challenges to organizational learning that your organization is facing today?

Challenge	%
Integration of learning technology tools and platforms	46%
Skill sets of learning staff	45%
Providing relevant learning in the flow of working opportunities to employees	44%
Learner experience	37%
Measurement of learning (demonstrating value)	35%
Globalization of learning programs	35%
Budget	33%
Culture around learning	32%
Scalability of learning	26%

Response base: 500 U.S. L&D leaders
Source: Cognizant and Future Workplace LLC
Figure 6

Costs can also be a challenge, with respondents saying their companies spend, on average, between $501 and $1,000 per employee per year on L&D.

Reshaping L&D

To prepare for the future, companies will need to restructure the L&D organization by rethinking the traditional 70-20-10 learning mix – experiential/ on-the-job training/formal coursework – to be much more virtual and technology-driven. As our research shows, leveraging technology will be key to innovation, not only to help expand and strengthen coursework/training, but also to enhance experiential/on-the-job learning.

Companies need to adjust the scope of L&D investment as well as the skill sets of the learning staff to align to business needs and the growth of technology for learning. With technology playing an increasingly central role in learning, businesses should consider increasing L&D's presence in the CIO's organization and embedding learning teams in HR and LOBs.

▍ **CIO learning teams** can drive digital L&D transformation through learning technology,

and by recommending the right technologies; create a more engaging learning experience; and support a culture of continuous learning.

▍ **HR learning teams** can work with the CHRO and staff to establish L&D policies and budgets; create governance so learning is aligned to business goals and needs; and analyze the data analytics of learning to monitor key benchmark metrics for engagement, effectiveness and efficiency.

▍ **LOB learning teams** can create a clear understanding of future skill needs for each specific function; ensure learning is personalized to each employee's function; provide performance consulting to help fill local skill gaps; provide input to the digital learning team on the personalization and digital needs of business units; and help track learning ROI.

Doing it right

The benefits of getting L&D right will be increased effectiveness, greater business impacts and more efficient L&D delivery. Most importantly, meeting the L&D expectations of today's workforce will make companies more competitive in attracting top talent. To help achieve those benefits, L&D organizations need to abide by three key "rules of the road" as they move forward:

▌ **Design for business impact.** Companies should consider creating a "skilling partner" role to work with large LOBs. For smaller business units, this role can be included in the responsibilities of the HR business partner that works with those units. The skilling partner should be responsible for creating a skill heat map for the line of business's as-is and to-be states, developing strategies to bridge the gap and helping to establish metrics for measuring ROI from skill-building efforts. This ensures that the talent-development effort for the organization is invested in the right areas and delivering value for the business.

▌ **Disrupt the status quo.** L&D will need to reskill itself, as well as the business employees it serves. L&D organizations will need to cultivate a variety of technology skills, particularly in data analytics and virtual learning. This is critical because technology is fast becoming a core component of effective learning – and as other parts of the company continue to become more digital, it will allow L&D to "talk the same

language" as the business. But L&D professionals will also need to understand innovation and develop deeper business acumen to help ensure that technology-enabled learning stays in step with the rapidly evolving needs of the business. Overall, finding the right skills will require casting a wide net that includes more robust recruiting, the use of flexible contract workers and partnering with outside companies to access the required expertise.

▌ **Democratize the learning experience.** There is a growing range of technologies that can be used to support more effective employee learning. Companies must select and deploy these with a seamless learner experience in mind. For several years now, we have seen technology integrating work and life for employees, democratizing many of our personal experiences like shopping, banking and contributing to the news. Now, learning departments have an opportunity to do much the same by blurring the lines between working and learning. For example, a sales executive should be able to use a VR headset to practice sales negotiations in a realistic environment, while an underwriter learning to incorporate machine learning algorithms in her risk analyses should be able to receive on-the-job aids that help her both learn and work successfully. As the learning technology market continues to expand and evolve, the L&D organization needs to yoke technologies seamlessly to enable employees to learn with ease.

Looking forward

A knowledgeable, skilled workforce is more important than ever. But in a constantly changing business environment, building and empowering that type of workforce require new approaches – and the transformation of the L&D function.

Technology will be key to making that transformation. This fact is clear to many companies, as our research demonstrates. To take full advantage of the technology, companies will need to restructure L&D and invest in significantly reskilling the function. And they will need to ensure that they are equipped to leverage fast-moving technology, make learning more effective and embedded in work, and keep learning in sync with the evolving needs of the business.

Our research found that many companies have a vision for transforming L&D. A deeper understanding of learning technologies and how L&D can put them to work will be key to making that vision a reality, and building a future-ready workforce.
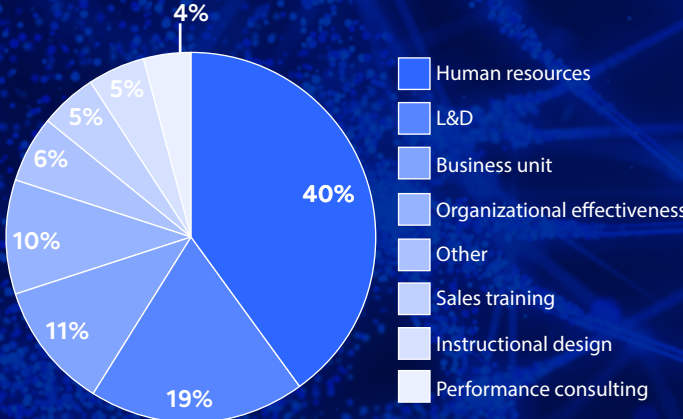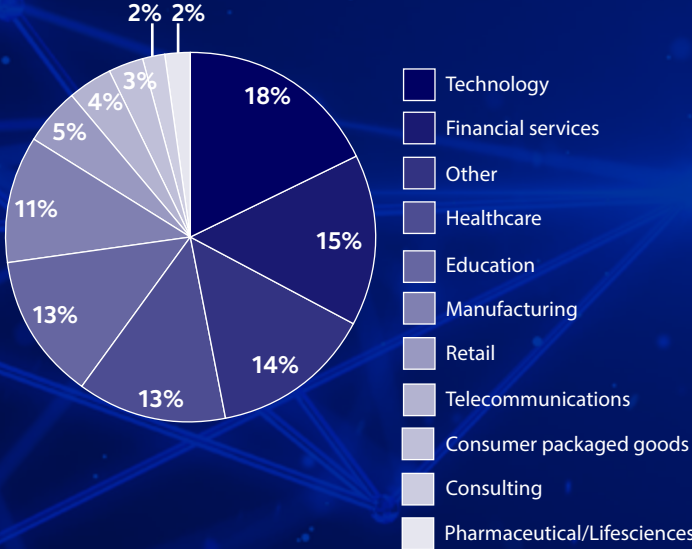
Methodology

Cognizant and Future Workplace partnered to administer a 25-question online survey among 500 full-time U.S. L&D leaders in organizations with 500 or more employees.

The research was designed to better understand how corporate learning is being transformed, democratized and aligned to new ways of working and learning. Specifically, respondents were asked questions around innovations in L&D approaches, new skills and capabilities needed from learning team members and the acceleration of new technologies in the corporate learning function.

Business functions respondents report into

40%
19%
11%
10%
6%
5%
5%
4%

- Human resources
- L&D
- Business unit
- Organizational effectiveness
- Other
- Sales training
- Instructional design
- Performance consulting

Industry breakdown

18%
15%
14%
13%
13%
11%
5%
4%
3%
2%
2%

- Technology
- Financial services
- Other
- Healthcare
- Education
- Manufacturing
- Retail
- Telecommunications
- Consumer packaged goods
- Consulting
- Pharmaceutical/Lifesciences

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Kshitij (Tij) Nerurkar is the North America leader for Education Business at Cognizant. For over 25 years, Tij has advised and implemented digital learning solutions across private and public sector clients on a global basis. In his current role, Tij helps educational institutions and ed-tech companies develop and implement digital strategies to transform their business model, reimagine learner experience and drive skill enablement.

Previously, Tij was the Head of Cognizant Academy in North America. In this role, he led Cognizant's North American L&D operations and headed the Global Commercial Academy to skill over 50,000 associates in North America. He was also responsible for developing industry partnerships for the Academy and worked as a core member of the talent team to help bridge the reskilling gap through innovative synergistic business models by bringing educational institutions, skilling companies and business together.

Prior to joining Cognizant, Tij served as President at Tata Interactive Systems, a digital firm that specialized in developing innovative learning experiences for enterprises and academic institutions.

Tij has a bachelor's degree in mechanical engineering and a master's degree in management studies from the University of Bombay, India, and he has completed a sales and leadership program at Harvard University. Tij is also on the executive learning council of the Association for Talent Development (ATD). He can be reached at Kshitij.Nerurkar@cognizant.com | Linkedin: www.linkedin.com/in/tij-nerurkar/.

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Jeanne Meister is Managing Partner of Future Workplace, an HR advisory, research and membership firm. She is the best-selling author of three books: *Corporate Universities: Lessons in Building a World Class Workforce*; *The 2020 Workplace: How Innovative Companies Attract, Develop and Keep Tomorrow's Employees Today*; and *The Future Workplace Experience: 10 Rules for Mastering Disruption in Recruiting and Engaging Employees*. Jeanne is a regular *Forbes* contributor, and her column can be found here.

Jeanne is the recipient of the Distinguished Contribution in Workplace Learning Award, given to one HR executive each year by the ATD, honoring Jeanne's body of work in preparing executives for the future of work. She is also the recipient of the Colin Corder Award for Outstanding Achievement in Workplace Learning by the Learning and Performance Institute (LPI.)

Jeanne was named one of the Top 100 HR Tech Influencers by *HR Executive* magazine in 2019 and 2020, and was recently nominated by Boston University to be an HRPI Research Fellow, advising a network of chief human resource officers on the future of HR.

Jeanne was previously VP of Market Development at Accenture and is a member of the Excelsior College Board of Trustees. She has a BA from the University of Connecticut and a master's degree in education from Boston University. Jeanne can be reached at: Jeanne@futureworkplace.com | Linkedin: linkedin.com/in/jeannemeister/ | Twitter: @JCMeister.

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In her 18-year career in IT, Meeraa has developed a strong mix of experience in business delivery and L&D. She led multiple IT projects during the early part of her time with Cognizant in Ireland, North America and India. During the last 10 years at Cognizant Academy, she has played multiple roles as Learning Business Partner, Change Management Lead and Learning Culture Consultant. She is passionate about achieving business outcomes and improving the learning experience. Meeraa has adopted design thinking and Lean startup methodologies as core frameworks. She has delivered industry accredited learning programs through her innovative designs. Her programs have won over 10 awards in external industry forums such as ATD and Brandon Hall.

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Kevin first joined the Future Workplace team in 2016 to support and manage relationships with Future Workplace network members. He later oversaw the development and launch of the Future Workplace Academy, a highly curated collection of online courses on topics related to the future of work featuring the most influential HR, talent, employee experience and learning practitioners leading the way in transforming themselves, their teams and their function for the new world of work.

Kevin graduated from Fordham University with a double major in economics and marketing. He has been published by the Federal Reserve System in the release of its book series *Investing in America's Workforce: Improving Outcomes for Workers and Employers*. This was published in 2018 in collaboration with the Heldrich Center for Workforce Development at Rutgers University, the Ray Marshall Center at the University of Texas at Austin and the W.E. Upjohn Institute for Employment Research. Kevin contributed to a chapter on "Closing the Skills Gap in America and the Future of Job Training" in the digital age. Kevin can be reached at Ksolar@futureworkplace.com | LinkedIn: www.linkedin.com/in/kevin-solar.

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About Future Workplace

Future Workplace is an HR advisory and research firm providing peer networks, professional development and research on what's next in transforming and reimagining HR. Future Workplace operates the Future Workplace Network™, a consortium of HR, talent and corporate learning leaders from FORTUNE 1000 organizations who convene four times a year to discuss and debate what's next in preparing for the future of work. For more, visit https://futureworkplace.com.

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