

State of Workplace Learning and Development- 2018

Changing Priorities, Emerging Trends



*Based on a survey of
1500+ L&D Professionals*



Foreword

We're passing via an essential transformation in the way we work. Automation and 'robots' are changing human tasks and jobs, changing the capabilities required for various jobs. A majority of these momentous changes have raised massive demanding situations for Talent, Organizations and L&D experts.

While the rate of change is accelerating, no doubt, the ask for the 'top' talent is fierce.

However, today 'talent' does not mean the same as 10 years ago. The important of the jobs, skills or even the job titles of tomorrow are unknown. The lifespan of skills is becoming shorter and employers cannot stand still.

So, how can businesses prepare for a future that can be hardly defined today? How can companies attract and retain people they want? And what does all this mean for Learning and Development departments?

To be prepared for the future, it's important to understand the current state of Learning and Development (L&D)

Hence, we checked in with over 1500+ L&D experts across India about the trends and challenges they are facing in this space. Their valuable insights form the basis of our first annual ***State of Workplace Learning and Development- 2018***.

Here is Mettl's State of Workplace Learning and Development-2018, bringing in the latest trends, innovations and best practices.

TOP TRENDS IN WORKPLACE LEARNING AND DEVELOPMENT



Executive Summary

1



Organizations recognize Talent Development as Important.

- More than **80%** of organizations have some sort of structured L&D.
- **38%** of L&D experts say that 'Improving Employee Performance' is the prime focus of their programs in 2018.

2



Re-skilling the workforce and preparing for the future.

Responses to the survey indicate that the need for re-skilling will be required majorly in **large-sized** organizations.

3



Proving value of learning to learner isn't as easy as it looks.

Getting employees to attend trainings is highly challenging as learner of today is more demanding and looks for varied options of learning.

4



Learning is Evolving (Quickly) and so must the L&D Budgets.

More than **50%** organizations have increased their L&D budgets in 2018 compared to 2017. However, L&D spends differ within departments and employee levels.

5



'Data-backed Learning Path' is a hit amongst L&D experts.

In Low Attrition Organizations, **72%** of L&D Teams find 'Pre- & Post Training Assessment' the most effective way to measure the ROI.



Where top talent is attracted by pay, rewards and the opportunity to progress, Learning and Development is the key to engage and retain them."

- Varun Khaturia
AGM-L&D, Muthoot Group



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More than
80% of
organizations have
some sort of
structured L&D ”

*“What happens if we invest
in developing our people and
then they leave us”*

- CFO

*“What happens if we
don't and they stay”*

- CEO

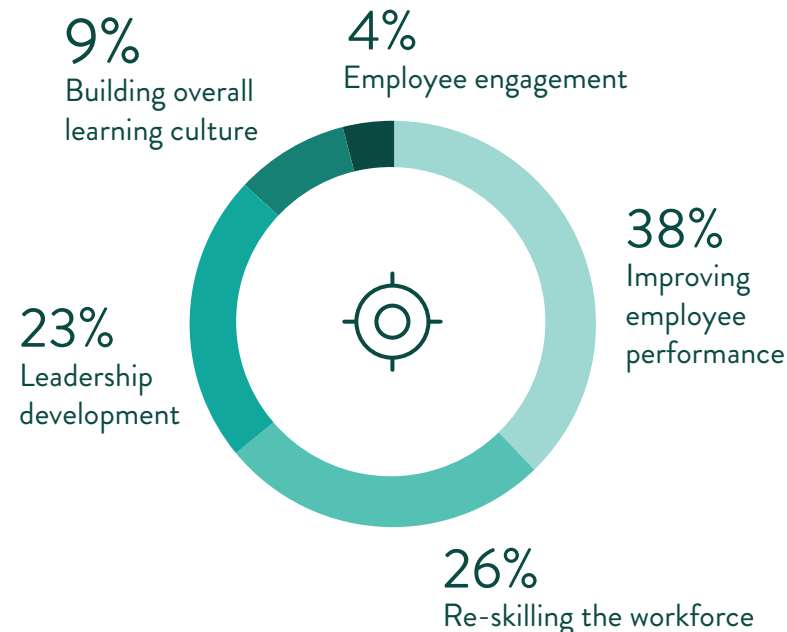
38% of L&D experts say that **'Improving Employee Performance'** is the Prime focus of their L&D programs in 2018.



The prime focus of most L&D Teams in 2018

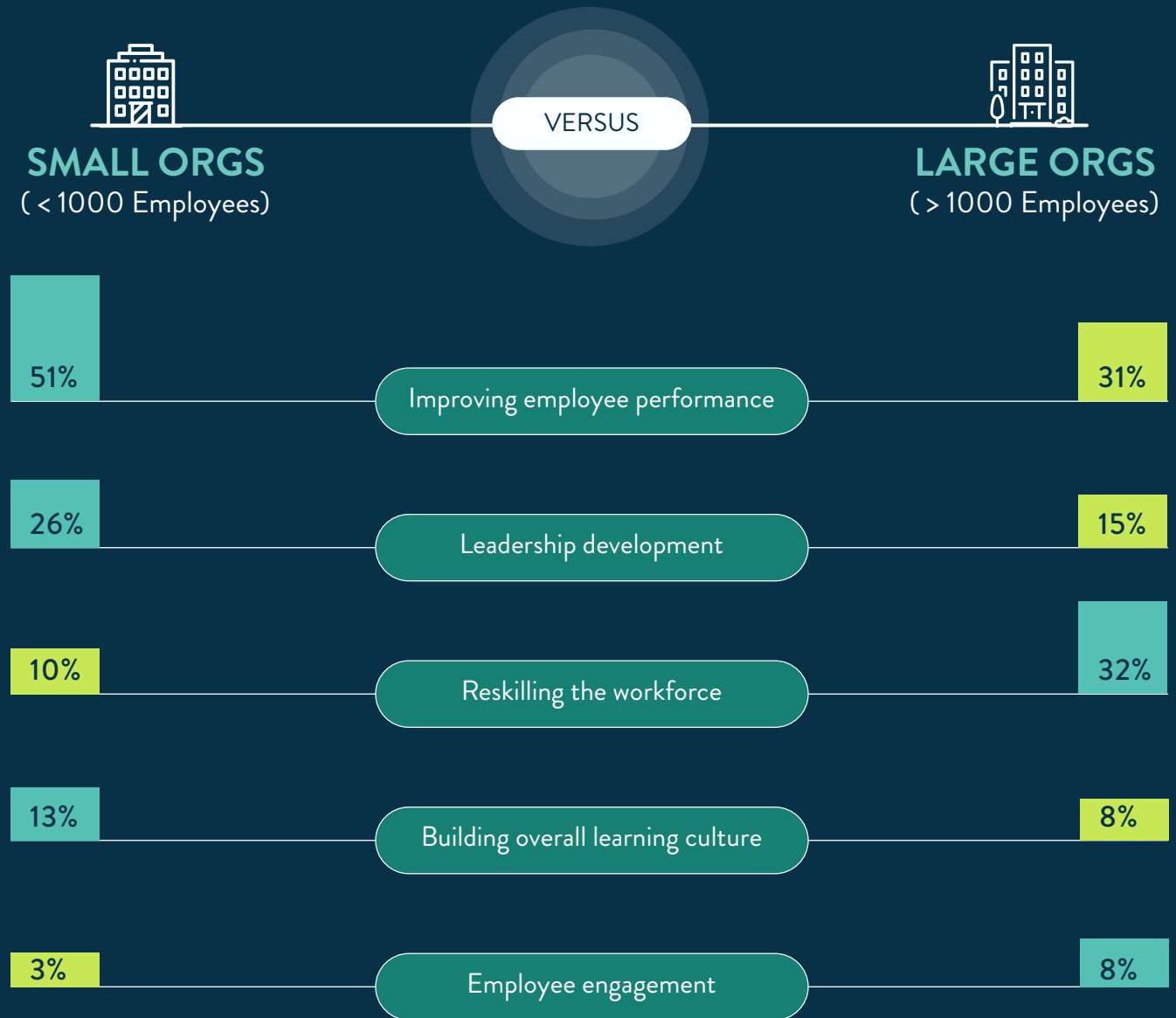
The success of any organization depends on its ability to address rapidly evolving business scenarios. To achieve this, organizations must upgrade their employees rapidly and regularly through extensive learning and development initiatives.

What is the prime focus of L&D teams in 2018?



Large Companies will focus on **‘Re-skilling the workforce’**, whereas, Small Companies will focus on **‘Improving employee performance’**.

What is the most important focus area of your L&D programs for 2018?





IS RE-SKILLING A TOOL TO BUILD FUTURE-READY WORKFORCE?

The biggest challenge that confronts Indian organizations today is the rapid change in the skills which employees must possess to take full advantage of new technologies. **Responses to the survey indicate that the need for re-skilling will be required majorly in large-sized organizations.**

No-doubt, that with the rise of digital disruption, a 4-generation workforce and 60-year careers, the pressure on organizations to upgrade their workforce will intensify. Gone is the era when learning was valuable for years. Now, knowledge and skills become obsolete within months. This creates an urgent need to develop employees rapidly and regularly.

Organizations need to rethink about learning and development so that it's no more a once-in-a-while activity and instead become more of a continuous, ongoing campaign.



“One of the hot trends in L&D is a renewed focus—not only on the cognitive (knowledge) and the psychomotor (skills)—but also on the affective (attitudes) domain, with emphasis on developing employees’ personal resilience and cultivating happiness to promote health & well-being, enhance human performance, and positively impact the bottom line.”

- Trish Uhl
World-Class Author, Trainer,
L&D Strategist and Coach



Challenges of L&D Departments

1

Getting employees to attend training

2

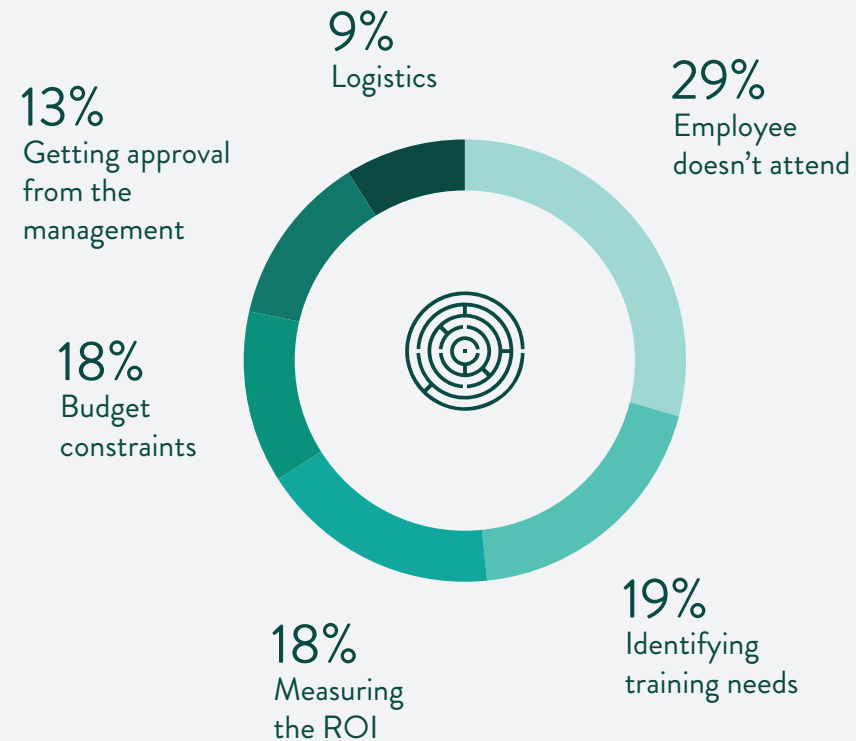
Identifying Organization's Training Needs

3

Measuring the ROI/Effectiveness of Programs

L&D today has carved its position as an important cog in the wheel of an organization. An important investment in the human capital, L&D today has definitely caught the eye of the business.

What are the top challenges faced by your organization in L&D?



Challenge no. 1 - Getting employees to attend training



29%

of professionals who participated in the survey mentioned that getting the employees involved in the learning process is one big challenge for them.

So, why aren't employees attending L&D programs?



Limited Time/ Priorities

Employees continuously work to prioritize vast lists of tasks and meetings, and often in all this, training sessions take a back seat to anything that directly supports the business.

Solution: Make trainings more flexible. Record training sessions and make them available to employees on-demand so they can attend virtually as per their convenience.



Lack of Tangible Benefits

Many L&D programs struggle with a lack of interest from employees who fail to see the value or benefits of these programs to their personal success.

Solution: Make trainings relevant to the learner. Before planning an L&D strategy, it's important to understand the relevance/ need of the training.



Lack of Planning and Technology

Often, L&D teams initiate without any careful planning and right technology, which leads to poor attendance.

Solution: Equip your organization with the right tools and technology. Proper LMS set-ups can be a quite a savior here.



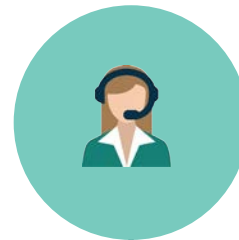
Technology will not replace great teachers but technology in the hands of great teachers can be transformational.”

- George Couros

How to do effective Training Need Identification?

Challenge no. 2 - Identifying Training Needs

Create a Data-Backed Learning Path for your L&D Program.



Whom to train?

Before you go about creating a training program, you need to think about the people who are undergoing the training – your employees.



What to train in?

Deciding what to train in can be a major source of concern as it can directly affect the ROI of your training program based on the capacity and willingness of your employees to go through the training process.



How to train?

As soon as you are able to identify your employees' learning agility score, and map their domain expertise, you will know the best skills every employee should learn to help them with the skill requirements of the new job role.

19%

of professionals stated 'Identifying Training Needs' as their challenge while designing their L&D Programs.

Effective L&D depends on knowing what is required for the individual, the department and the organization. With limited budgets and the need for cost-effective solutions, all organizations should ensure that the resources invested in L&D are targeted at areas where L&D is required so that a positive ROI can be achieved.

Challenge no. 3 - Measuring the ROI of L&D Programs



18%

of respondents consider ROI as their third biggest challenge for L&D.

How to measure the ROI of your L&D programs?

Understanding the Training Lifecycle:



1. TNI

Training Need Identification (TNI) is the key to design an effective training plan. TNI addresses the why, who and what about training gaps.



2. Pre-Training Assessment

These customized assessments are designed to gauge employee's proficiency in desired competencies before the training has been administered.



3. Training

Training is conducted basis the customized training plan. Training aims to develop competencies based on gaps in skills and desired behavior.



4. Post-Training Assessment

Post training assessment is a scientific framework designed to measure improvement in desired competencies over time.

A CLOSER LOOK

However, L&D challenges vary with size of the organization.

As the way of doing business continues to rapidly change, it will simultaneously impact the way learners prefer to learn. As a result, organizations, both small or large, will be challenged in the way they engage, plan and manage learning to keep up with both business and learner needs.

It's worth noting that small companies face slightly different challenges of L&D than large companies. However, 'Employee Attendance' is a critical one in both.

What are the top challenges faced by your organization in L&D?

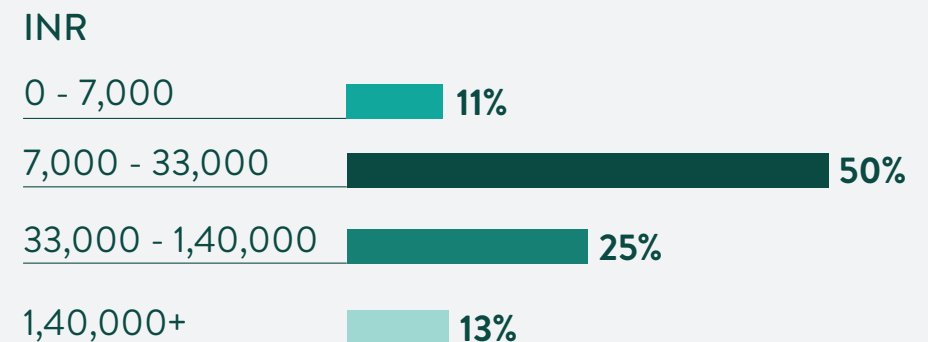


L&D Spends: No more expenses, in fact, INVESTMENTS

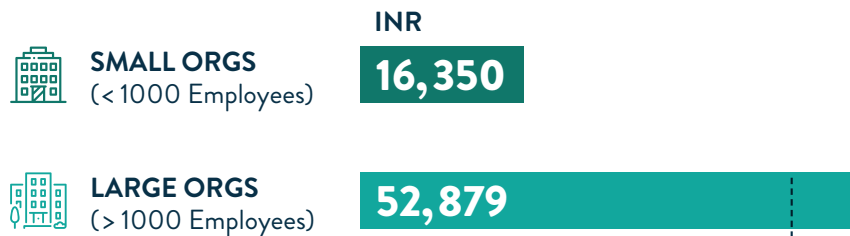
MORE THAN
50% of organizations spend 7,000-33,000 INR per employee annually.

As companies find themselves in a situation of digital disruption, they are all willing to address skills gaps by investing in L&D. On asking our survey respondents, on how they are investing on each of its employee's training, some interesting insights came out.

What is the overall L&D programs spend per employee in your organization?



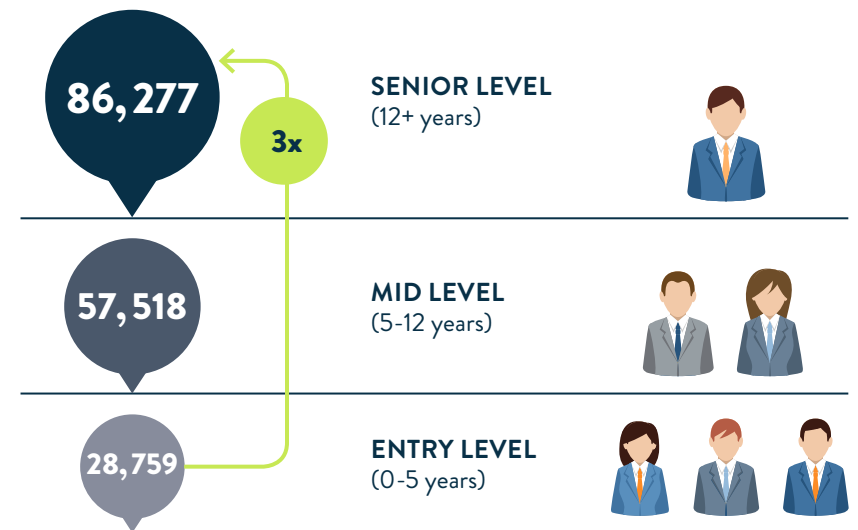
Average L&D Spend Per Employee Increases with the size of the organization.



Overall average L&D spend per employee is **INR 41,838**

And, the Average Spend per employee at Senior-Level is 3x compared to entry-level.

AVERAGE SPEND PER YEAR (INR)



*Assumption 60% of workforce of an organization falls in Entry-Level bucket, 30% in Mid-Level and 10% in Senior-Level.

L&D plays a major role in Sales Enablement

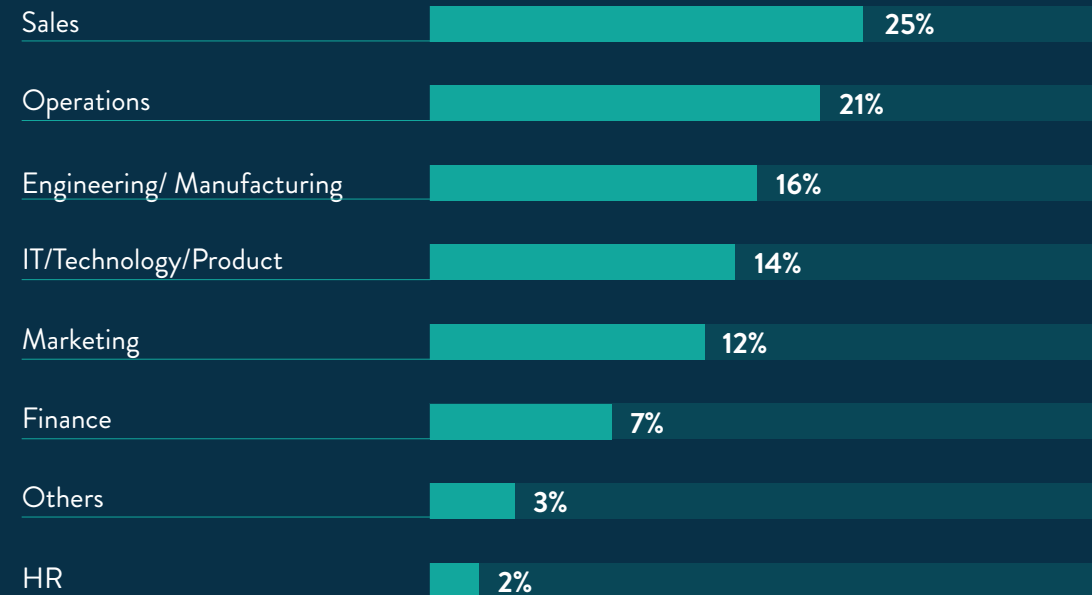


25% of the L&D budget spend is on Sales Teams across industries.

L&D Departments are under constant pressure to prove their value to the management. Hence, it's highly important for L&D experts to design budgets that deliver gains in performance of employees, while being defensible and justifiable from a business standpoint.

On asking L&D experts across industries about which Department/ Teams they have aligned their budgets most in 2018, Sales topped the charts with **25%** votes followed by Operations which grabbed the second position with **21%**.

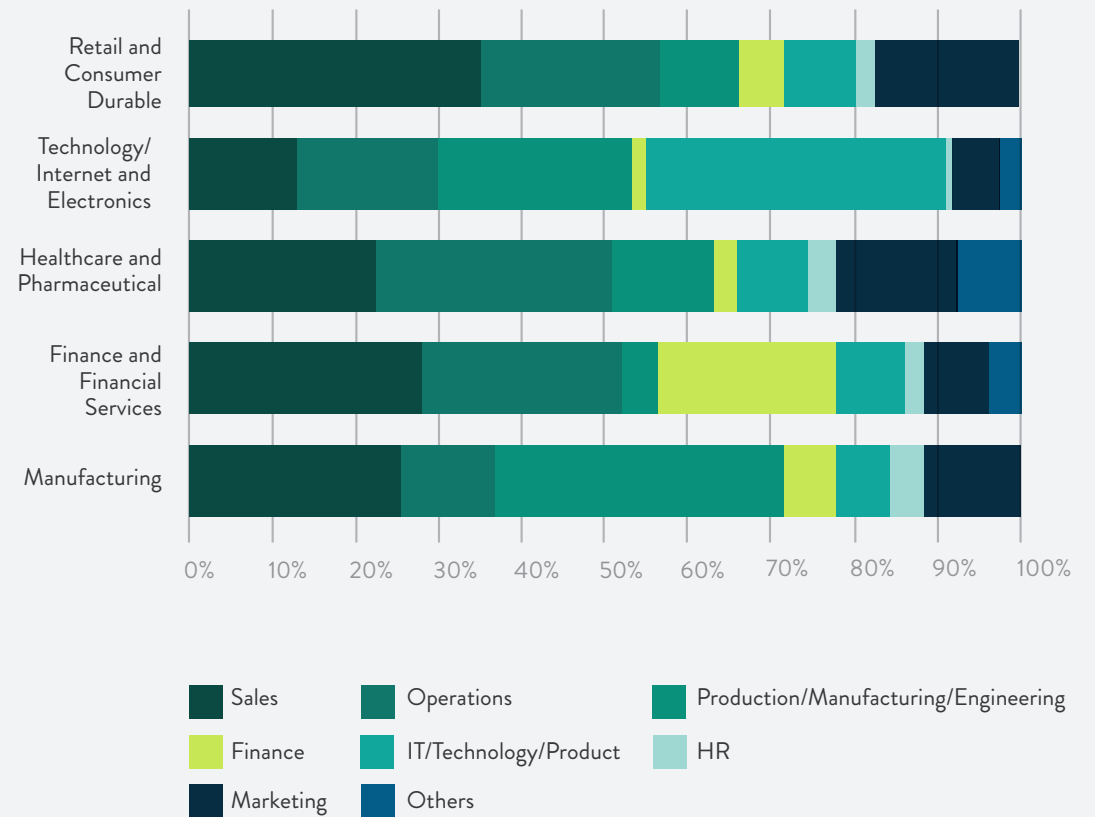
Top Department/Teams you are spending your L&D Budget most in 2018?

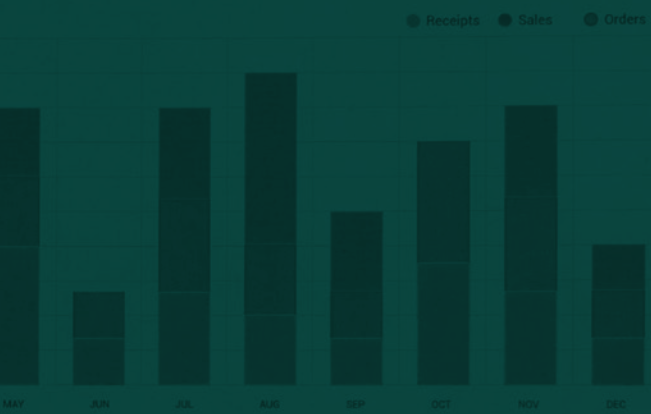


And, Core Functions have a maximum share of L&D budget in each Industry

Learning and Development is definitely not one of the organization's biggest budget line items. However, with business needs changing rapidly and digital transformation waves touching each industry, organizations are re-aligning their budget shares towards L&D.

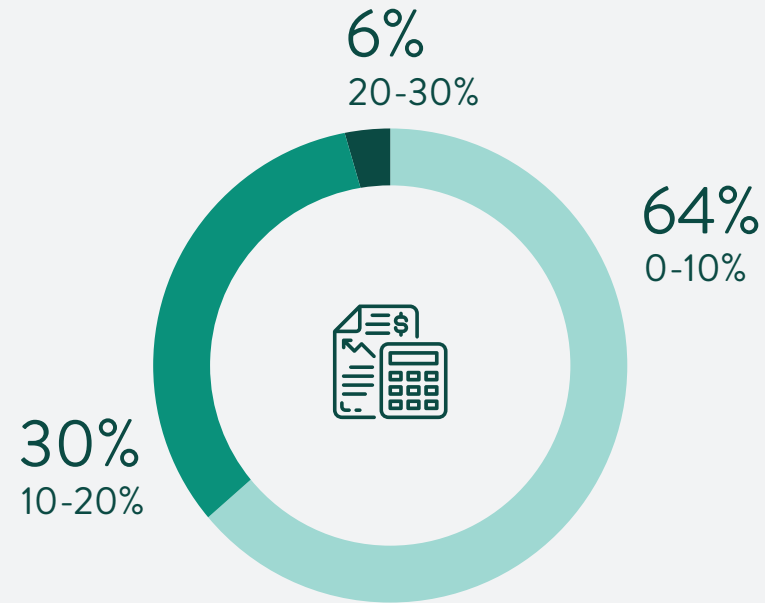
On which Departments/Team you are spending your L&D budget most?





L&D today has carved its position as an important cog in the wheel of an organization. An important investment in the human capital, L&D today has definitely caught the eye of management.

By what percentage has your L&D budget increased in 2018 compared to 2017?



*64% organizations have increased their L&D budgets by 0-10% compared to 2017. However, the Avg. increase in L&D budget in an organization has been 9%.

**L&D
Function –
No more a
Cost-Sink**





Effective Mode of Delivery

Blended-Mode is the most effective mode of delivering L&D Programs.



81%
Blended-Mode



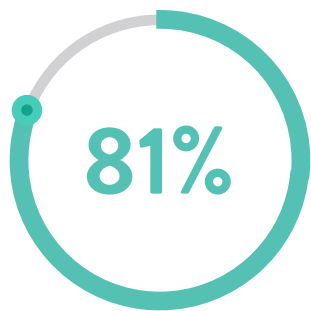
17%
Instructor-Led



2%
Self-Led



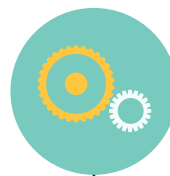
Blended Learning is No Longer a 'Nice to Have' - It's a must-have Strategy.



of L&D experts say that Blended Mode is the most effective mode of delivering L&D Programs.

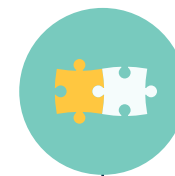
Through the survey, L&D professionals consider blended learning as the most effective way to deliver programs. One major reason for it could be that Blended learning enables them to provide greater ROI.

Other important reasons would include:



It's Less Restrictive

Allows candidates to take advantage of their learning preferences.



Seamless Experience

Requires seamless technology integration.



More Engaging

With so many different content forms and variables, learning becomes engaging.



However, leaders are still skeptical in the “Return from L&D Initiatives”

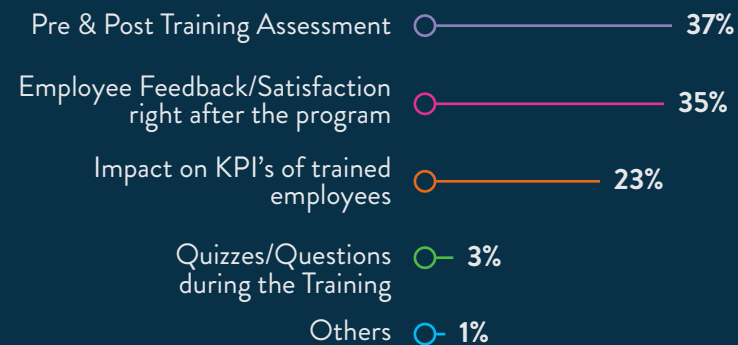


Way Forward

Reporting Value of L&D Programs to the Individual and the Business

37% of L&D experts find **'Assessment Technology'** the most Effective way to evaluate the success of L&D Programs

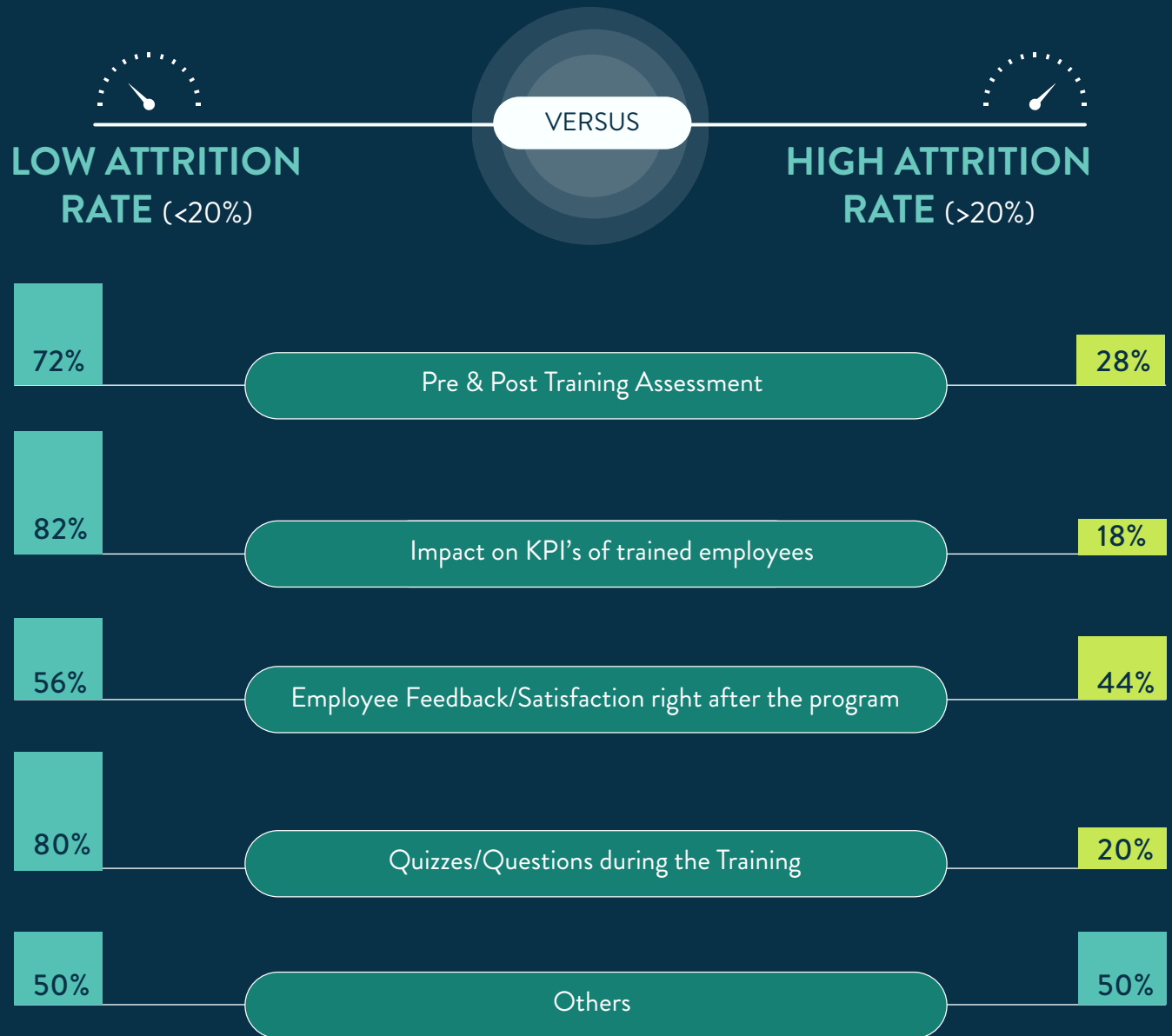
Which is the best way to measure the success of L&D programs?



“

In Low Attrition Organizations, **72%** L&D Teams find **Pre & Post-Training Assessment** the most effective way to measure the ROI.”

What is the best way to measure the success of L&D programs in your organization?



Are you Measuring your ROI?

A recent Google search for “aligning Learning & Development (L&D) with business strategy” yielded nearly 31 million hits. Clearly, many people in the field think this is important. Since companies make significant financial investments in their training program, they need to help achieve an organization’s strategy and enhance individual and organizational performance in meaningful ways.

Well, with the current economic climate in which all expenditures are being carefully monitored, there is not a better time to introduce an assessment technique to create, deliver, measure and validate training that has true organizational value.

| | | | | | |
|------------|-----------|------------|----------|------------|-----------|
| LINE ITEMS | 16.15 M\$ | LINE ITEMS | 13.5 M\$ | LINE ITEMS | 13.00 M\$ |
| SHIPPING | 0.15 M\$ | SHIPPING | 0.2 M\$ | SHIPPING | 0.5 |
| TAXES | 0% | TAXES | 0% | TAXES | 0% |
| TOTAL | 16.3 M\$ | TOTAL | 13.7 M\$ | TOTAL | 13.00 M\$ |

Measuring Training Effectiveness

Based on Kirk Patrick 4 Level Training Evaluation Model

Created by Dr. Don Kirkpatrick in the 1950s, the Kirkpatrick model has now become a worldwide standard for evaluating the effectiveness of training. The model is applied before, during and after training to both maximize and demonstrate training’s value to the organization. Consisting of four levels, the model follows this basic chain:

- 1 REACTION:**
The degree to which participants find the training favorable, engaging and relevant to their jobs.
- 2 LEARNING:**
The degree to which participants acquire the intended knowledge, skills, attitude, confidence and commitment based on their participation in the training.
- 3 BEHAVIOR:**
The degree to which participants apply what they learned during training when they are back on the job.
- 4 RESULTS:**
The degree to which targeted outcomes occur as a result of the training and the support and accountability package.

How Mettl Helps

Measure ROI of Trainings

Measure the ROI of your training program with Mettl's Pre & Post Assessment Framework

PRE-TRAINING ASSESSMENT:

Mettl's Pre-Training Assessments are customized for specific competency framework for the training. Administered prior to training, these assessments measure current proficiency level of desired competencies.

POST-TRAINING ASSESSMENT:

Mettl's Post-Training Assessment framework is designed basis Kirk Patrick 4 level training evaluation model, the worldwide standard for evaluating the effectiveness of training.

Organizational Planning

Revolutionize Your Organizational Planning with Mettl's Scientific L&D Assessment Tools

SUCCESSION PLANNING:

Mettl's range of tools and assessments help assess employee's performance on critical competencies identified to be key for the success in the role.

HI-PO IDENTIFICATION:

Identify, track and develop right set of high potential employees and prepare them for advancement with Mettl's assessments.



Re-aligning L&D to business strategy



AJAY VENKATESH
Manager, People Advisory Services
EY

“

At EY, one of our biggest priorities is to build capabilities that directly impacts business goals. Hence, our L&D strategy's prime focus for next few years will be on re-aligning our learning offerings to our business strategy.

”

What should be the focus of L&D programs in coming years?

Some years ago, L&D was considered more like an academic endeavor. However, in present times, lot of organizations are changing structures, especially the traditional ones like Pharma, Manufacturing and Finance. This is where L&D will need a major change and will impact the most. Therefore, aligning L&D offerings with business should be the prime focus of all these organizations.

“Remember, individual's KRAs should talk business language.”

What are the top challenges faced by L&D departments and how can these be tackled?

“Well, L&D top challenges are majorly tied to demonstrating ROI.”

This is clearly because of not being able to demonstrate the business impact of L&D initiatives. And, it's an obvious reason for why L&D isn't getting sufficient budgets.

Well, I'll be the first to admit, it's extremely difficult for L&D experts to measure the impact of leaning in the form of ROI. However, knowing how to plug into this can assist L&D professionals vastly and shift their role from being just a “training facilitator” to a “strategic business consultant.”

Secondly, still most of us as L&D experts are doing the mundane programs like presentations, communication, team buildings, etc. I don't say, they aren't important. They are hygiene and we must keep doing them. However, “how many of us are focusing on Skills of the Future?” or focusing on what new roles would develop in the organization and question ourselves “do our people have these skills, if not how do I enable them to get these skills for the future?”

By putting up with the LMS system, we think our work is done, which is not correct. Every person is unique and has different learning requirements. Hence, before just throwing them into any sort of training programs, it's important for an L&D expert to delve down to the real training needs of the individual and accordingly, make programs rewarding/engaging. People now have short attention spans, thanks to twitter and its likes, they want real time, crisp and on demand learning that is tailored to meet the learners needs.

Last, but not the least, L&D experts need to focus on quantifiable outcomes and convince the business to stay invested in L&D programs.



Understanding Training Needs of a Learner is Important



VARUN KHATURIA
Certified Coach
Training & Development Professional

“

Where, having a strong talent acquisition infrastructure is paramount in today's economy. But given the pace of change organizations also need to focus on reskilling their workforces.

”

What should be the prime focus of L&D?

“Give Learners What They Want”

Know your audience. Today's dynamic workplace occupants expect the very best in user experience, choice and flexibility. Understand your learner's training needs before you plan on what they learn and how they learn. L&D interventions must be highly employee-centric. L&D cannot be one-size fits- all, it has to be fit with individual & functional/business goals.

What are the challenges in L&D?

“Business leaders think in \$. Hence, it's important to make the business case for L&D.”

However, evaluating effectiveness of L&D comes with its own challenges, particularly when the targeted outcomes involve softer skills such as improved collaboration, decision-making, innovation, strategical thinking—common learning objectives in many leadership development programs.

It can be difficult to assign a hard-dollar value to such skills, or to show a correlation between the learning initiative and the acquisition of the targeted skills. It is also often a struggle to find the time to follow-up appropriately after the program has occurred.

Additionally, if the post-program evaluation process and measures were not carefully planned at the program development stage, such post-mortem evaluation may lack a budget and adequate support.

However, I believe, these challenges can be overcome, if well-assessed via various methodologies like manager feedbacks, business impacts and pre/post training assessments.

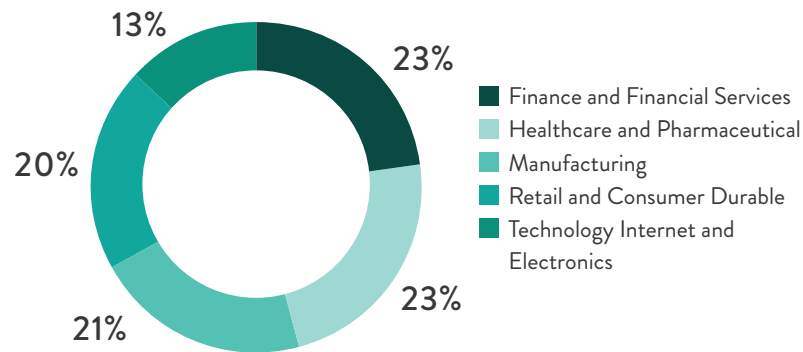


Demographics

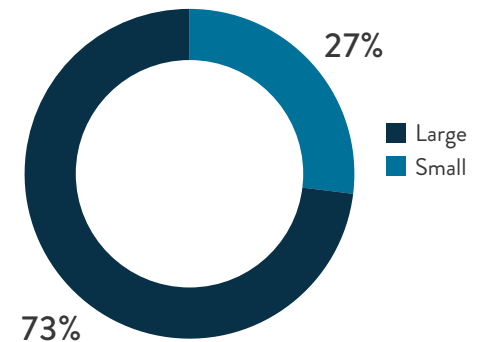
An assortment of HR and L&D professionals completed this year's State of Learning and Development Survey. In addition, we are fortunate to have a balanced representation of large industry leaders and small start-ups. This ensures that our Survey results reflect a valuable mix of perspectives. From mid-Feb until the end of May 2018, Mettl ran an online survey to uncover the issues and trends in the L&D space.

The survey was designed for Human Resources and L&D leaders across all geographies in the Indian subcontinent (North, South, East, West - Also Metropolitan, Tier 1 and Tier 2 cities) and conducted in the most appropriate language for each market.

More than 1500+ respondents spanning VP/SVP/EVP, C-suite, director, manager and individual contributor levels completed the survey.



Industry Participation



Size of Companies

Survey Methodology

We surveyed and interviewed 1500+ L&D professionals from India, who either influence or are decision makers for their companies' L&D budgets. These survey respondents were selected based on years of experience in the L&D space and were contacted via e-mail and phone.

Sincere Gratitude to All

Mettl sincerely thanks all the organizations whose valued participation made this survey a success. We share this State of Learning and Development'18 with you as a token of our appreciation. Here is a partial list of participating companies:



BOSCH
Invented for life



TATA
TATA CONSULTANCY SERVICES



TITAN
COMPANY



**WELLS
FARGO**



pwc



WOCKHARDT



Walmart



AXIS BANK



**Royal Bank
of Scotland**



Haldiram's



**MAX
LIFE
INSURANCE**



HSBC



**Tech
Mahindra**



**SUN
PHARMA**

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Ask a Mettl expert how we can help:

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