Eyes on the Future: Understanding Corporate Learning and Development

THOUGHT PAPER

By **Mainak Maheshwari, Aarti Jain, and Stuti Garg**

Introduction

In a world where AI tutors outsmart traditional textbooks, and virtual reality transforms every cubicle into a dynamic classroom, corporate learning and development (L&D) finds itself on the brink of a revolution. Imagine a future where employees don VR headsets to experience immersive leadership training scenarios or where machine learning algorithms tailor training programs to the unique needs of each employee. However, this isn't the distant future—it's a reality unfolding now, reshaping how companies nurture talent and drive innovation. As we stand on the cusp of this transformative era, it's crucial to explore the trends, technologies, and strategies that will define the future of corporate learning and development.

As companies compete for top talent, cutting-edge L&D strategies are increasingly gaining more importance. Since most traditional training methods are maturing, innovative approaches are emerging to optimize employee development. Undoubtedly, HR leaders and teams need to continue to stay attuned to these trends to successfully endure and guide their organizations toward the future. Investment in the future of L&D prepares the workforce for future demands and ensures resilience and agility in a turbulent business landscape. Effective L&D strategies drive business goals, facilitate knowledge transfer, and offer a strategic advantage. This growth is reflected in the numbers with the market size of the global corporate e-learning industry valued at *22.15 billion USD in 2023*. In the following years, the industry is projected to grow at an average of *10.9% year-on-year*, reaching a value of over 46 billion USD by 2030.

This thought paper explores this changing landscape and dives into the ever-changing world of corporate learning and HR.

The Evolution of the L&D Landscape

The face of corporate learning and development (L&D) has changed significantly over the past two decades; a shift that was further accelerated by the pandemic.
There was a time when Instructor-Led training (ILT) dominated the field, with sessions delivered in person by instructors being the most common method for employee training. Steadily this began to change with e-learning platforms offering a more flexible and accessible alternative to ILT, on the rise. However, despite significant tech advancements, technology integration in L&D was primarily limited to content delivery through Learning Management Systems (LMS) and basic assessments. Training programs focused mainly on meeting compliance requirements and developing job-specific technical skills. Learning was

an enabling function, conducted as and when directed by company requirements or policies. The job of trainers and coaches was limited to imparting training and sharing information from various sources.

Following the pandemic, remote work and social distancing protocols necessitated a pronounced shift towards online learning.

The Rise of Online and Blended Learning

Microlearning, characterized by short, focused learning modules, and blended learning (which integrates both online and offline elements) has seen increased adoption. Learning technologies, such as video conferencing, collaboration tools, and Learning Management Systems (LMS), have escalated to facilitate remote learning effectively. There is now a heightened emphasis on cultivating digital skills, soft skills, and adaptability to keep pace with the rapid changes in the business environment. The L&D landscape has transitioned to a more learner-centric approach that prioritizes flexibility, accessibility, and continuous skill development through diverse technological tools.

A Growing Shift Toward Experiential Learning

Instead of a monologue format, professionals are prioritizing experiential learning, with increased participation and interactivity from the audience and a double feedback loop that leads to continuous improvement of the training program based on both immediate reactions and long-term effectiveness. Learning has permeated all aspects of personal and professional life, with trends like microlearning, mobile learning, and just-in-time learning expected to persist and expand. Consequently, understanding and meeting learners' expectations has also become increasingly critical to building holistic L&D modules.

## What are the Challenges in the current L&D Landscape?

With a multitude of changes abound, challenges are inevitable. Organizations and employees are faced with hurdles like misalignment, lack of relevant resources and prioritization, and more. To successfully navigate the complex terrain of learning and development in today's dynamic world, it's important to identify the common challenges plaguing it.

Challenge: Lack of Organizational Ownership

A fundamental challenge hindering the effectiveness of L&D initiatives is the absence of strong organizational ownership. While L&D professionals bear primary responsibility, the active involvement of organizational leadership is crucial. Unfortunately, L&D often occupies a peripheral position in the strategic priorities of CXOs even today. This lack of attention from top management hampers the allocation of necessary resources and prioritization of L&D initiatives.

Solution: Elevating the Strategic Importance of L&D

To address the lack of organizational ownership, L&D functions must elevate their strategic importance within the organization. By demonstrating the direct impact of L&D initiatives on business outcomes, L&D can secure a seat at the executive table. Leveraging data analytics to showcase the return on investment of training programs can be instrumental in gaining C-suite support.
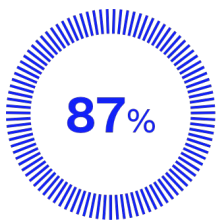
87% of L&D pros say that they can show business value by helping employees gain skills to move to different roles

> **for organizations looking to align learning with business goals and help employees develop their careers, internal mobility stands out as an effective solution. L&D can help people and businesses assess where skills are needed. Then they can equip people to move to new roles where their skills can grow and develop in sync with business needs — the very definition of skills agility.**
>
> - LinkedIn Workplace Learning Report, 2024

Challenge: Disconnected from the Business

To enhance the effectiveness of learning programs, a deeper alignment between L&D and the core business is imperative. Unfortunately, many L&D professionals operate in silos, lacking a comprehensive understanding of the business's strategic objectives. This disconnect results in training programs that may not directly address the organization's critical needs or goals, reducing their impact and relevance.

Solution: Strengthening Business Alignment

Fostering a deeper understanding of the business among L&D professionals is essential. Embedding L&D professionals within business units can facilitate knowledge sharing and collaboration. Additionally, conducting regular business needs assessments can help align training programs with organizational goals.

Challenge: Data-Driven Decision-Making Deficit

Another significant gap lies in the right utilization of data to inform L&D strategies. Decisions are often based on subjective experiences and intuition rather than concrete data-driven insights. The absence of robust analytics and performance metrics prevents organizations from measuring the ROI of their training programs and making informed adjustments. Additionally, the nascent adoption of AI and associated technologies, coupled with budget constraints, hinders the ability to leverage advanced data analysis tools.

Solution: Fostering a Data-Driven L&D Culture

Investing in data analytics capabilities and establishing key performance indicators (KPIs) will enable organizations to measure the effectiveness of their training programs. Leveraging AI and machine learning can unlock valuable insights from vast amounts of learner data, optimizing the learning experience.

Challenge: Behavioral Skills Development Gap

In the next five years, skills like adaptability, collaboration, critical thinking, and leadership will be essential for employee success. Developing and measuring behavioral skills remains a significant challenge for many organizations. While the digital age demands a strong emphasis on these skills, current training programs often fall short in fostering practical application and assessing proficiency. The lack of standardized methodologies for measuring behavioral skills further complicates the evaluation of training effectiveness.

Solution: Developing Behavioral Skills

To bridge the gap in behavioral skills development, organizations must prioritize hands-on practice and real-world application. Incorporating simulations, role-playing, and case studies into training programs can enhance learners' ability to apply skills in practical settings. Moreover, investing in research and development to create standardized assessment tools for behavioral skills is essential for measuring training effectiveness.

By addressing these challenges and embracing the opportunities presented by emerging technologies, organizations can help create a more effective and impactful L&D function.

SKILLS EXPECTED TO BE IMPORTANT TO EMPLOYEE CAREERS IN THE NEXT FIVE YEARS IN THE ASIA-PACIFIC REGION AS OF 2023
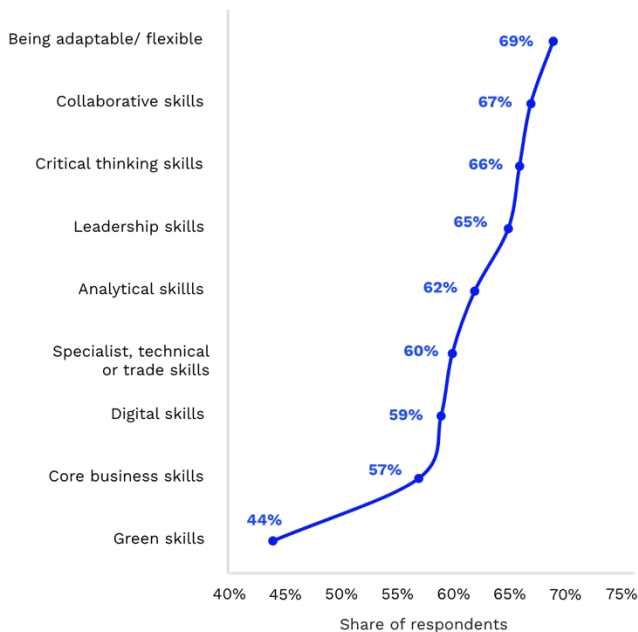
STATISTIC ADITIONAL INFORMATION
ASIA, APAC, 2023: 19,502 RESPONDENT, 18-77 years; among individuals who are active in the labor marker

Source: Statistic SOURCES SINGULAR, PwC US

The Future of L&D

The future of corporate learning and development is on the brink of substantial transformation, propelled by advancements in artificial intelligence (AI) and evolving workforce dynamics. How are these trends driving a new era of L&D?

AI-Driven Personalization

Forthcoming innovations will facilitate highly customized learning experiences that closely align with individual learner needs and preferences while providing precise data on the effectiveness of these interventions. Generational shifts in the workforce have and will continue to foster heightened awareness and accountability in managing one's learning journey.

T-Shaped Learning and JIT

There is also a growing emphasis on T-shaped learning, which advocates for developing deep

expertise in a specific domain while acquiring a broad range of general knowledge. As a senior L&D professional observed '*The institutionalization of Just-In-Time (JIT) learning might become imperative since individuals are now considering the integration of learning into their daily routines and embracing blended learning systems as the standard.*' While AR and VR hold promise, their integration into L&D programs has been limited to immature use in a few large conglomerates, and their full-fledged impact on corporate L&D remains to be seen.

Focus on Soft and Cognitive Skills

Interviews with 10+ industry leaders and academics revealed a strong inclination among organizations and individuals to invest in and demand more resources for developing behavioral/soft skills and cognitive/efficiency skills. Soft skills encompass the ability to explain, predict, and interpret behavior by attributing mental states such as desires, beliefs, intentions, and emotions to oneself and others. We are still in the developmental stages of finding reliable methods to measure these skills. Cognitive/efficiency skills, on the other hand, include critical thinking, leadership agility, resilience, virtual collaboration, time management, and planning, among others. Measuring these intangible capabilities must, therefore, be the top priority in research.
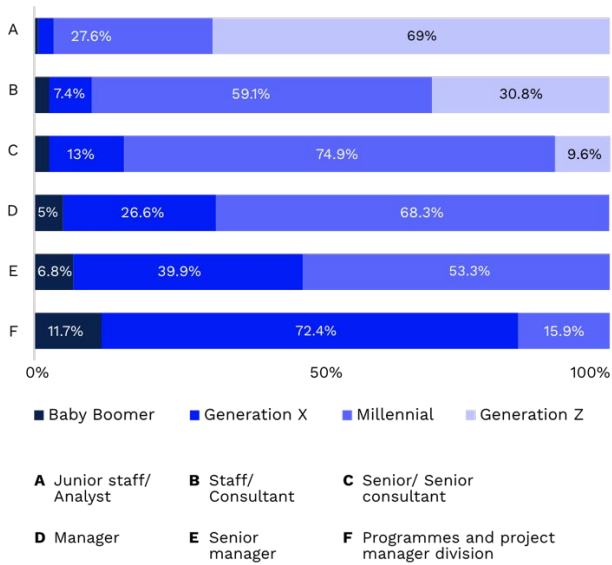
Other Emerging Trends

Learning experience systems and Global Capability Centers (GCCs) are expected to be increasingly utilized as outsourced training sources. This is not to say that degrees are redundant because along with the technical know-how, students are exposed to a plethora of other skills and networking opportunities that they greatly benefit from in the long run. Addressing digital fatigue and maintaining work-life balance will be paramount as the digital learning environment expands. As the lines between scientific study and business are blurring, neuroscience is also emerging as a relevant tool to understand how employees' brains work so that learning experiences can be tailored to each person's needs.

Conclusion

After ensuring they have a robust system, L&D professionals could be even more responsive to new technologies and the external environment. To understand the "*why*" and explain the context to top management, it might benefit them to gain deeper business acumen and enhance their understanding of various industries.

GENERATIONAL REPRESENTATION OF THE DELOITTE WORKFORCE IN THE UNITED STATES 2023, BY EMPLOYMENT LEVEL

	Baby Boomer	Generation X	Millennial	Generation Z
A Junior staff/ Analyst			27.6%	69%
B Staff/ Consultant	7.4%	59.1%	30.8%	
C Senior/ Senior consultant	13%	74.9%	9.6%	
D Manager	5%	26.6%	68.3%	
E Senior manager	6.8%	39.9%	53.3%	
F Programmes and project manager division	11.7%	72.4%	15.9%	

■ Baby Boomer   ■ Generation X   ■ Millennial   ■ Generation Z

A Junior staff/ Analyst **B** Staff/ Consultant **C** Senior/ Senior consultant

D Manager **E** Senior manager **F** Programmes and project manager division

Source: Deloitte, © Statista 2024
Additional Information: United States, 2022

A multitude of generations comprise the employable workforce today. This fact has made it quintessential to identify their unique needs and differences, address them individually, and design L&D programs that cater to their motives, values, and preferences. The bottom line is that businesses need to take better care of their workforce. Especially at a time when there is a global talent shortage. For companies to harness people's desire to stay and grow in an organization, it's time they rethink the current approach to learning and development.

About the Authors

Mainak brings over 27 years of experience spanning business and HR roles across geographies. This has given him a unique understanding of the link between HR and business strategy. He also holds a patent for HR capability development.

Mainak's experience includes human capital strategy, culture, talent development (performance, leadership development, career pathing, competency, learning, engagement, diversity) and talent acquisition (including on-boarding and background check). He has also implemented HRIS platform and HR metrics to improve performance.

Recently he has been helping start-ups set up efficient and effective HR teams and processes. In addition, Mainak is a recognized Executive Coach and Leadership Development expert.

Mainak's previous work experience includes stints/projects with Accenture (Consulting and HR), Hewitt Associates, AbsolutData, Heidrick & Struggles, Evalueserve, Sterlite Technologies and Upstox.

Mainak holds an MBA from the Indian Institute of Management, Calcutta, and is a certified executive coach.

Aarti is pursuing her MBA in Human Resource Management at IIM Indore. With a Psychology degree from the University of Delhi, she has a strong foundation in understanding human behavior. She is deeply passionate about the changing landscape of HR and has previously worked as an L&D specialist.

Aarti has a keen interest in people analytics and organizational development, particularly in how data-driven insights can improve workforce strategies and foster more effective organizational growth. In her leisure time, she enjoys reading thriller novels, often with a cup of coffee, appreciating the blend of suspense and relaxation.

Stuti is pursuing her MBA in Human Resource Management at IIM Indore. She holds a Bachelor's in Business Administration (BBA Hons) from Amity University. Her past work experience, academic journey, and internship experience have fuelled her growing interest in human resources.

Stuti's naturally inquisitive nature drives her to explore the vast potential and evolving landscape of HR. She is enthusiastic about uncovering new possibilities and investigating the transformative changes in this dynamic field.

About PeopleAsset

PeopleAsset is a boutique Executive Search & Talent Advisory Firm geared to deliver high quality results. We help our clients dramatically improve performance through focus on leadership & talent.

Visit us at <u>www.peopleasset.in</u> **for more information or write to us at** <u>info@peopleasset.in</u>.

Mainak Maheshwari is the Director for Talent Advisory services at PeopleAsset. **Aarti Jain** and **Stuti Garg** are pursuing an MBA in Human Resource Management at IIM Indore.