

CIPD

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ANNUAL SURVEY REPORT

Learning and Development 2015



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Learning and development

Annual survey report 2015

Contents

| | |
|--|----|
| Foreword | 2 |
| Summary of key findings | 3 |
| 1 The role and purpose of learning and development (L&D) | 6 |
| 2 Trends in L&D practices and methods | 9 |
| 3 Learning technologies | 15 |
| 4 Leadership development | 18 |
| 5 Talent management | 20 |
| 6 The development of L&D professionals | 22 |
| 7 Assessing the impact of L&D activity | 25 |
| 8 Economic situation and L&D resources | 30 |
| Conclusions and insights | 34 |
| Background to the survey | 37 |

Acknowledgements

We would like to thank the learning and development community for taking the time to share their views and complete the survey, and in particular the four L&D and HR interviewees for their reflections on the survey findings. This participation is critical in ensuring that the survey reflects the key issues facing L&D professionals today. A special thank you also goes to our survey contractor, Annette Hogarth, for her ongoing involvement in the survey.

Foreword

For 17 years our annual *Learning and Development* survey has highlighted trends in L&D practice and the broader learning landscape. Each year we evolve the survey to reflect the key issues facing the L&D community. This year we've introduced a new section to explore the role and purpose of the L&D function and focused our attention on the future of L&D practice.

Our findings highlight that L&D professionals are increasingly recognising the importance of understanding business needs and commercial awareness. Many report that they are aligned to business strategy, though recognise that there are significant barriers in achieving this. Despite this recognition, it's also clear that many are still struggling to evaluate the impact of L&D activity on the business.

The survey also highlights a number of L&D capability gaps (such as analytical and technological skills), which as a profession we need to address. We've also seen these findings reflected in other CIPD research published this year (*L&D: Evolving roles, enhancing skills*). Many report a lack of confidence in using learning technology and yet also predict growth in areas such as e-learning, virtual classrooms and social learning. It's clear that if we are to maximise the value of our investments, we need to make sure we have the right skills in place first. The importance of 'L&D for L&D' should not be underestimated.

This applies across the board. As might be expected, the public sector is facing significant budgetary cuts, while the private sector is anticipating more growth. In this context it's even more important to ensure that the L&D investments we make are the right ones and activity is directed towards improving organisational performance – whether you're experiencing growth or not. We've seen before that tough times can actually be the spark that fosters innovation. Therefore, it's possible that in future years the most interesting L&D developments may emerge from the sectors currently experiencing the greatest challenges.

As the world of work continues to evolve at a rapid pace, we have a fantastic opportunity to encourage long-term sustainable growth in organisations through effective L&D practice. The findings we share in this report are designed to help you reflect on your current practice and identify key areas for change. We would encourage you to share your takeaways with your colleagues, to prompt debate and identify the steps you need to take to evolve your L&D practice. I would also love to hear your thoughts on our findings – you can get in touch at r.stuart@cipd.co.uk

Ruth Stuart

Research Adviser – Learning and Development, CIPD

Summary of key findings

The CIPD's seventeenth annual *Learning and Development* survey shows current practices and trends within learning and development (L&D).

The role and purpose of the learning and development function

- *Learning and development is usually incorporated within the HR department* – in over two-fifths of organisations L&D is a specialist function/role within the HR department and in one-fifth it is part of generalist HR activities. In just under two-fifths L&D activities are split between HR and another area of the business, or are completely separate from the HR function.
- *L&D is broadly aligned with business strategy* – L&D strategy is extremely aligned with the needs of the business in a quarter of organisations and a further two-fifths report that they are broadly aligned, with some discrepancies. Just 6% report no alignment.
- *Lack of clarity is a common barrier to alignment* – respondents are evenly split regarding whether they have experienced barriers in achieving business alignment. The most common barriers are L&D practitioners' lack of clarity regarding the business strategy and lack of resources, but also lack of interest or understanding of the purpose and capability of L&D from business leaders.

Trends in learning and development

- *In-house methods remain most common* – on-the-job training, in-house development

programmes and coaching by line managers or peers remain the most popular development methods, in line with findings from previous years. Many also expect their use of these methods to grow.

- *Learning technologies are more common in larger organisations* – they are more likely than smaller organisations to include e-learning courses and blended learning among their most common L&D practices and to anticipate growth in the use of various learning technologies.
- *Coaching and mentoring are common* – three-quarters of organisations currently offer coaching or mentoring and an additional 13% plan to offer it in the next year. Most expect to increase their use of coaching.
- *Most L&D content is developed from scratch* – there is considerable variation across organisations but on average about half of L&D content is developed from scratch by internal/external L&D practitioners, two-fifths through adapting or curating existing internal or external materials and one-tenth through user-generated content.
- *Many offer training to non-employee groups* – approximately two-thirds of organisations offer training to non-employee groups, most commonly students, clients or volunteers, depending on sector.
- *Closer integration of L&D activity and business strategy is anticipated* – the most common organisational changes that will affect L&D over the next two years are closer alignment

'L&D strategy is extremely aligned with the needs of the business in a quarter of organisations.'

‘Business and commercial awareness and the ability to work collaboratively are key to success in L&D.’

with the business strategy and more emphasis on monitoring and evaluation. Devolving responsibility to learners and line managers is also anticipated to be among the top changes.

Learning technologies

- *Three-quarters of organisations use learning technologies – but the extent to which they use them varies widely and face-to-face delivery remains dominant. Most anticipate an increase in the use of learning technologies, but the use of face-to-face delivery will remain widespread.*
- *Many lack confidence in their ability to use learning technologies – just a quarter of respondents feel ‘extremely’ or ‘very’ confident in their ability to harness technology to increase the effectiveness of their L&D interventions.*

Leadership development

- *Most plan to conduct leadership development activities in the next 12 months – the key areas they will be focusing on include equipping line managers to improve staff performance, changing/enhancing the organisational culture and improving the skills of existing leaders to think in a more strategic and future-focused way.*
- *People management practices support effective leadership – nevertheless, there is clearly room for improvement, particularly with regard to reward and recognition practices and organisational design.*

Talent management

- *Little change in the prevalence of talent management activities – nearly three-fifths undertake talent management activities, with larger organisations most likely to do so.*
- *Views on which talent management activities are most*

effective have changed little over the last few years – high-potential in-house development schemes, coaching, mentoring and buddying schemes are among the most commonly used and most effective talent management activities.

The development of L&D professionals

- *Most organisations encourage and enable the development of L&D capability to some extent – but more than one in five feel this happens only to ‘a little extent’ or ‘to no extent’.*
- *Business and commercial awareness and the ability to work collaboratively are key to success in L&D – other important attributes include understanding how to enhance learner engagement and the ability to think innovatively and offer creative solutions.*
- *A quarter integrate findings from social/behavioural neuroscience into practice – a fifth integrate findings from cognitive psychology and one in ten findings from behavioural economics.*

Assessing the impact of learning and development activity

- *One in seven do not evaluate the majority of their L&D initiatives – over a third limit their evaluations to the satisfaction of those that take part. One in five assess the transfer of learning into the workplace and a small minority evaluate the wider impact on the business or society.*
- *Learner and manager reflection and feedback are most commonly used to assess the effectiveness of L&D interventions – other metrics are more likely to be used where L&D is more aligned with business strategy.*

- *Three in ten quantify the impact of L&D on productivity* – they use a range of metrics including sales, profit, performance/ productivity figures, efficiency savings and quality measures as well as behavioural and cultural indicators.
- *Evaluations are mostly used to update the L&D intervention and review the delivery method* – more than half always or frequently share the results of evaluations internally, while just under a fifth do so externally.
- *Other business priorities is the most common barrier to evaluating L&D* – many also report barriers within L&D/HR, in particular the quality of L&D data collected, L&D/HR capability to conduct the evaluation and other L&D/HR priorities.
- *L&D headcount increasing in the private sector* – private sector organisations are twice as likely to report that L&D headcount has increased than that it has decreased. They are also more likely to report that the use of external associates has increased than decreased. In contrast, the public sector are twice as likely to have reduced their headcount and use of associates than increased them.
- *More investment in learning technologies* – a third of organisations across all sectors have increased their investment in learning technologies over the last year.
- *Mixed views regarding the future of L&D funding* – over a quarter of the private sector anticipate an increase in the overall funding of L&D over the next 12 months, while 15% expect a decrease. The public sector is far less positive, with half anticipating a decrease.

‘Other business priorities is the most common barrier to evaluating L&D.’

Economic situation and training spend

- *Changes to L&D resources are related to organisations’ general economic circumstances* – more than half of the public sector report their L&D budget has decreased over the last year, while the picture is more mixed in the private sector – a quarter report their budget has decreased and a quarter that it has increased.

1 The role and purpose of learning and development (L&D)

L&D is usually incorporated within the HR function. In most organisations L&D strategy is broadly aligned with business needs, although many experience challenges in achieving alignment.

L&D departments vary in size

The number of people employed in the L&D function increases with size of organisation, but there is considerable variation, particularly in larger organisations (Table 1).¹

L&D is usually incorporated within HR

Organisations that have L&D activities tend to incorporate them into the HR function (Figure 1). Over two-fifths report that L&D is a specialist function/role within the HR department (particularly common in larger organisations), while one-fifth report L&D is part of generalist HR activities (particularly common in smaller organisations).² L&D activities are split between HR and another area of the business in one-fifth

of organisations. In the remaining 16%, L&D is completely separate from the HR function.

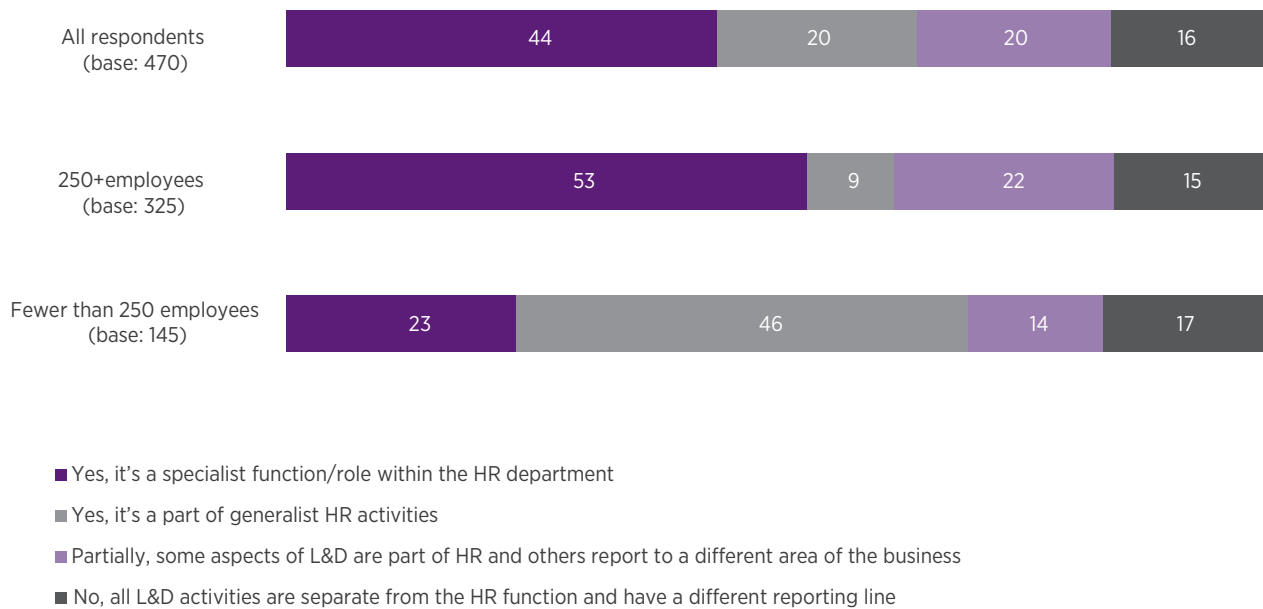
The purpose of L&D – improving individual and organisational performance

When using their own words, the majority describe the purpose of L&D in their organisation in terms of improving individual and organisational performance through developing employee capability. Just a minority describe L&D’s purpose solely in terms of providing training to ensure that statutory or regulatory compliance requirements are met or ensuring staff have the ‘*skills to carry out their current roles*’. A far larger proportion define L&D’s purpose in the context of ‘*achieving*

Table 1: The size of the L&D function, by size of organisation

| Size of organisation | Size of L&D function (number of people) | | |
|-------------------------|---|------|---------------------------------|
| | Median | Mean | Standard deviation ¹ |
| Fewer than 10 (n=65) | 1 | 2 | 2 |
| 10-49 (n=47) | 1 | 3 | 8 |
| 50-249 (n=95) | 2 | 4 | 14 |
| 250-999 (n=98) | 3 | 5 | 5 |
| 1,000-4,999 (n=120) | 6 | 11 | 10 |
| 5,000-19,999 (n=62) | 18 | 29 | 42 |
| More than 20,000 (n=54) | 53 | 232 | 377 |

Figure 1: Is learning and development considered part of the HR function in your organisation? (% of respondents)



corporate goals' and 'business improvement'. They see their role not just in terms of meeting current skills requirements but also 'providing the knowledge, skills and behaviours required for sustainable success'. For some this includes supporting organisational development, identifying current and future skills gaps and embedding organisational values.

A small proportion also feel that L&D has a role to play in retaining key staff through the provision of career development and helping 'make the company a great place to work'.

Training provision is commonly seen to be a key part of L&D's role, but there is also some evidence of the shift from viewing L&D as a 'training provider' to a 'learning facilitator'. A minority of respondents see L&D's role as creating 'a learning culture' or 'learning organisation' or to 'enthuse, inspire, inform, encourage, facilitate'.

L&D is broadly aligned with business strategy

A quarter report that L&D strategy is extremely aligned with the needs of the business and a further two-fifths that they are broadly aligned with some discrepancies. A small minority (6%) report they are not at all aligned,³ although this was more common in manufacturing and production organisations (15% report a complete lack of alignment compared with 5% of private services, 2% of public services and 8% of non-profits).⁴ Alignment is also lower in organisations where L&D is part of generalist HR activities (Figure 2).⁵

More barriers to alignment in larger organisations

Responses are mixed regarding whether respondents had experienced barriers in achieving business alignment. Two-fifths (41%) said they had and a similar proportion (39%) hadn't, while the remaining fifth didn't know. Those

in larger organisations are more likely to have experienced barriers.⁶

Common barriers to alignment

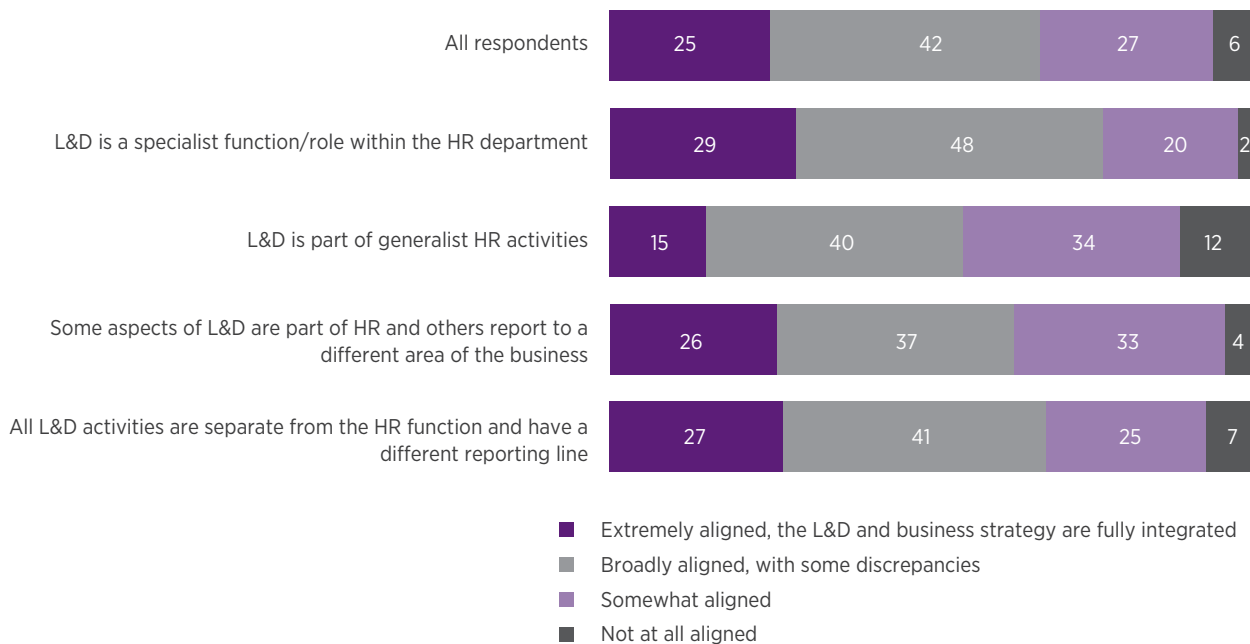
Lack of clarity regarding the business strategy is one of the most common barriers hindering business alignment. Some propose the lack of clarity is due to poor leadership, for others it is hindered by *‘changing priorities and focus’* or *‘organisational instability’*, while in others a clear shared strategy is mired in *‘internal politics’*, *‘conflicting business priorities’*, the *‘inability to agree’* or a *‘silo culture’*.

Approximately a third experience *‘apathy’*, *‘lack of insight and understanding’* or *‘interest’* from senior management. They complained of *‘misunderstanding of the purpose and capability of*

L&D’, *‘lack of drive and confidence paired with lack of knowledge of L&D’*, and that training is seen as a *‘reactionary tool’* or a *‘sticking plaster’* rather than as a *‘proactive tool for organisational development’*.

A quarter feel constrained by lack of resources. Some complain of a lack of investment in L&D due to *‘lack of insight and understanding from senior management’*, others that the L&D team is overstretched.

Figure 2: How aligned is L&D strategy to the needs of the business, by whether L&D is part of the HR function (% of respondents)



Base: 528

2 Trends in L&D practices and methods

In-house methods of delivery remain more popular than external methods and are expected to grow further in use. Many also offer training to non-employee groups for a variety of reasons. Looking forward, L&D professionals expect to see a continued shift towards integration with the business strategy and more emphasis on monitoring and evaluation.

Internal activities are most popular and expected to increase

On-the-job training, in-house development programmes and coaching by line managers or peers remain the most commonly used and the most effective development methods, in line with findings from previous years. External development events, instructor-led training delivered off the job and coaching by external practitioners are considerably less likely to feature among

organisations' most common or most effective methods (Figure 3). Larger organisations are particularly likely to favour internal over external activities, presumably due to economies of scale.⁷

Use of the current most popular methods is expected to grow further, particularly the use of coaching by line managers or peers (Figure 4). The preference for internal over external development activities is expected to grow.

Figure 3: Which three learning and development practices do you most commonly use and which three are the most effective? (% of respondents)

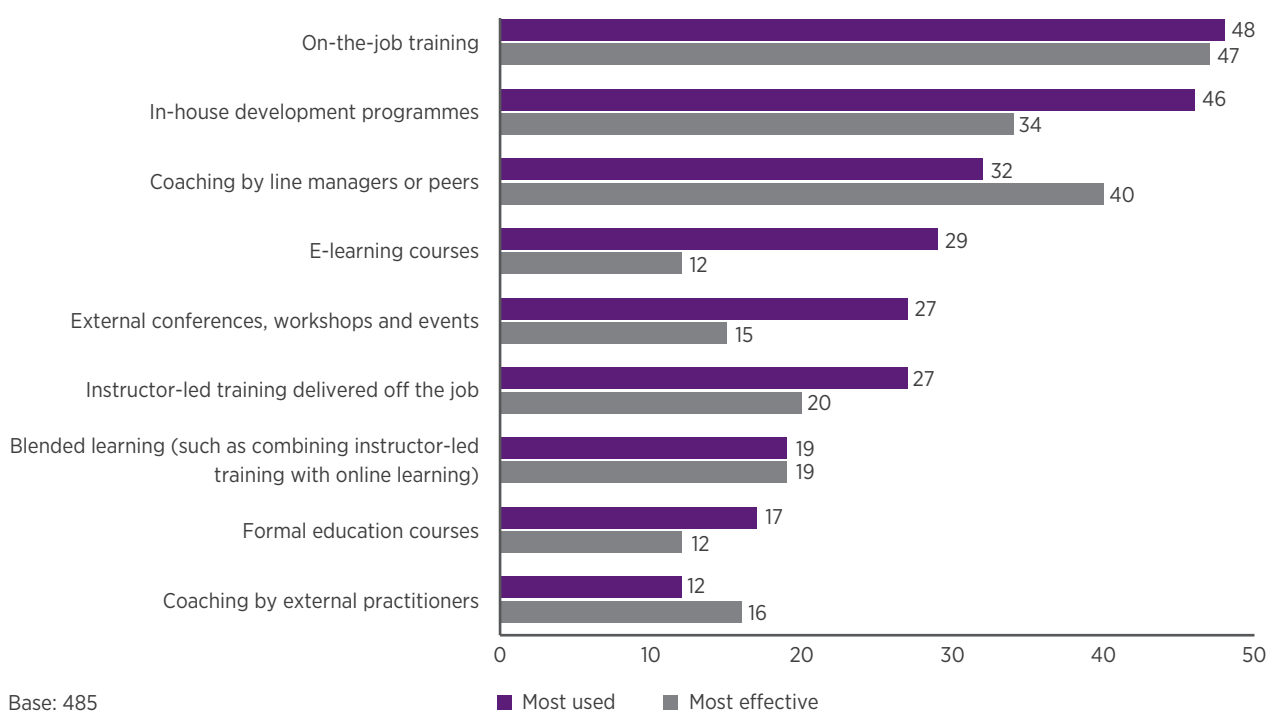
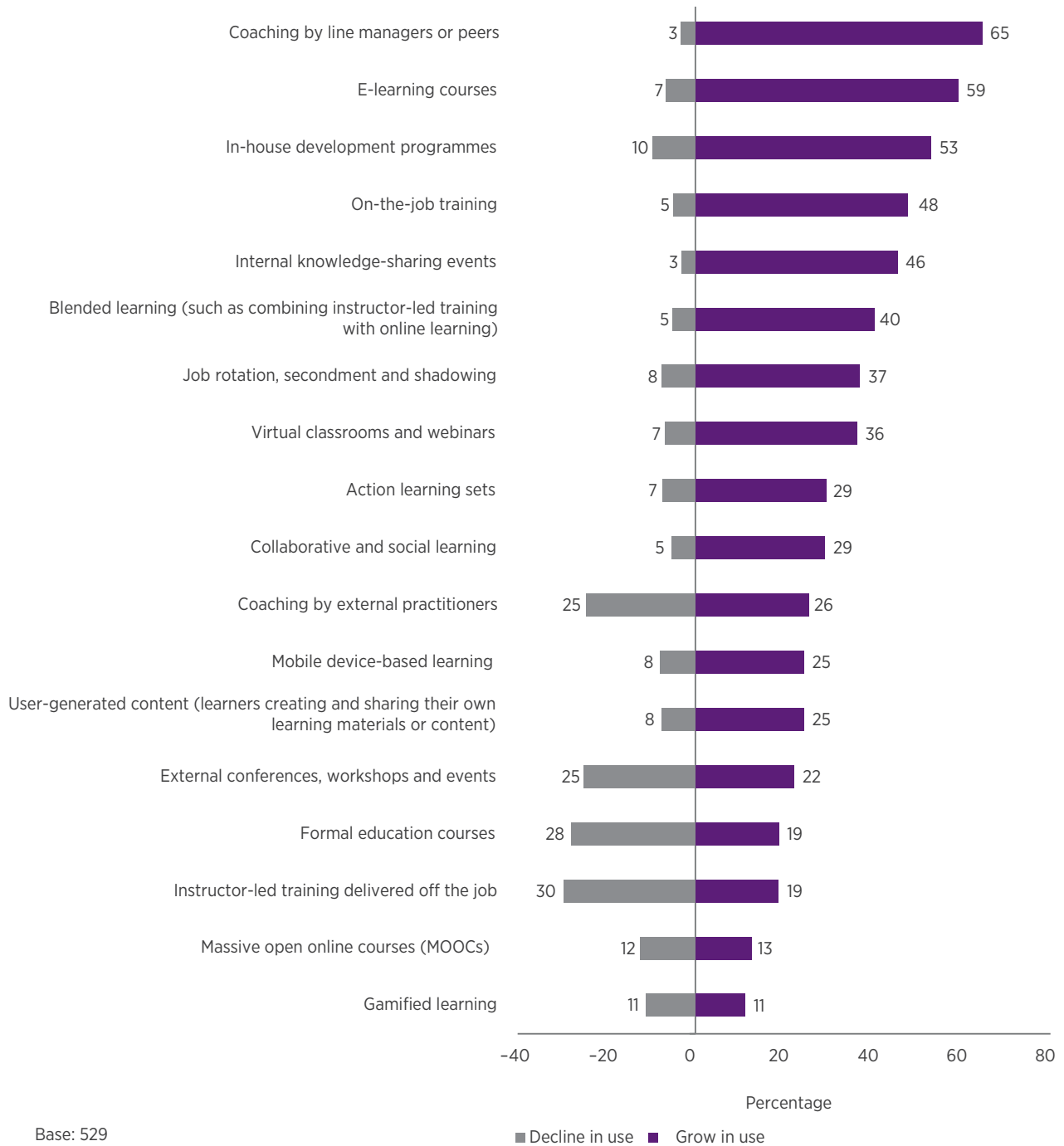


Figure 4: Which of the following methods will grow or decline in use in your organisation over the next two years? (% of respondents)



Formal programmes and courses will continue to play a key role in L&D. The findings also suggest a growing shift towards creating a learning culture, with increased use of internal knowledge-sharing events, job rotation, secondment and shadowing, action learning sets and collaborative and social learning. A quarter anticipate greater use of user-generated content, reflecting

the need for agility and flexibility in meeting bespoke individual needs.

Increased use of technology is also anticipated. Three-fifths expect their use of e-learning courses to grow, over a third see their use of virtual classrooms and webinars rising, and a quarter anticipate an increase in mobile device-based learning. But not all technologies

are being embraced. Organisations are split on whether their use of MOOCs (massive open online courses) and gamified learning will increase or decrease.

Learning technologies are more common in larger organisations
Larger organisations are more likely to include e-learning courses and blended learning among their

Employee views

In the CIPD spring 2015 *Employee Outlook* survey (forthcoming), conducted in partnership with Halogen, we asked employees which three L&D practices were most frequently used in their organisation and which three they considered to be most effective. The survey was carried out by YouGov in March 2015, and the findings below refer to responses from 1,993 individuals.

The top five most used methods were reported to be:

- on-the-job training (selected by 50%)
- online learning (29%)
- in-house development programmes (25%)
- learning from peers (through face-to-face interactions or online networks) (25%)
- external conferences, workshops and events (15%).

Aside from online learning and external conferences, these methods were also among the top five most effective, with the addition of coaching, and job rotation, secondment and shadowing. On-the-job training was considered to be the most effective learning practice, while online learning, mobile learning, external events and instructor-led training off the job were among the least effective.

The findings indicate that there is common agreement on the use and effectiveness of on-the-job training and in-house development, while both groups challenge the effectiveness of current forms of online learning. L&D professionals consider coaching to be more ubiquitous than employees, though both agree on its effectiveness. This perhaps suggests more focus is needed on embedding coaching in organisations.

most common L&D practices.⁸ They are also more likely to anticipate that blended learning, mobile device-based learning, gamified learning, virtual classrooms and webinars will grow in use in their organisations in the next two years⁹.

Private and public services organisations anticipate greater use of new learning methods
Regardless of size, private and

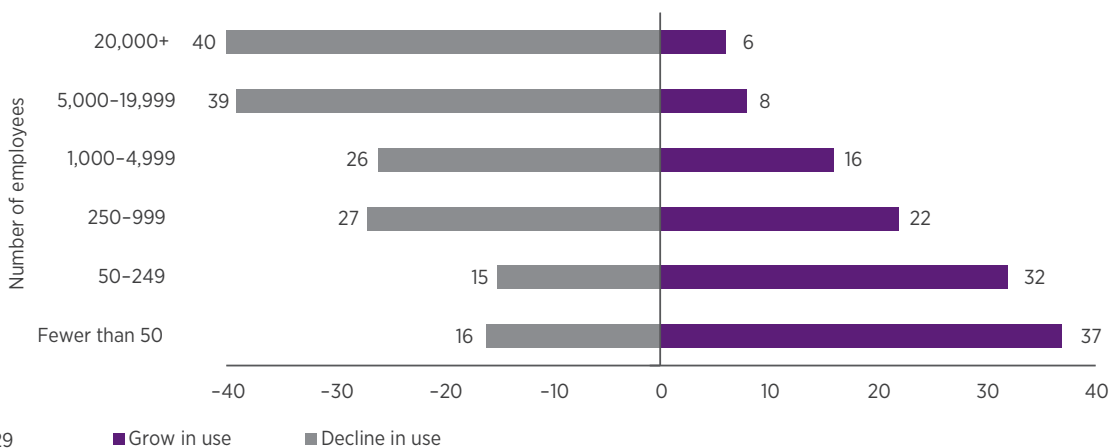
public services organisations are more likely than production and manufacturing and non-profit organisations to predict an increase in their use of mobile device-based learning, virtual classrooms and webinars.¹⁰

They are also more likely to anticipate that user-generated content and collaborative and social learning will increase.¹¹

External activities are more common in smaller than larger organisations

While the overall trend is for greater use of internal over external activities, very small organisations (fewer than 50 employees) are more likely to use external conferences, workshops and events (37%) than in-house development programmes (23%). They are also more likely to report they

Figure 5: Expected growth or decline in use of external conferences, workshops and events, by size of organisation (%)



‘...half of learning and development content is developed from scratch by internal/external L&D practitioners.’

will increase their use of external conferences, workshops and events over the next two years, while larger organisations are more likely to report they will reduce their use (Figure 5). Smaller organisations are also more likely than larger ones to include coaching by external practitioners among their most used methods, although the use of internal over external coaches remains more common across all size categories.¹²

Most organisations offer coaching and/or mentoring

In similar findings to last year, just over three-quarters of organisations offer coaching or mentoring to employees, although this rose to 89% of the public sector and is also more common in larger organisations.¹³

Nearly two-fifths use in-house coaches/trained peers and line managers. A further third use a combination of in-house and external coaches. Just 6% rely solely on external providers, although this is more common in smaller organisations with fewer than 250 employees (10% versus 4% of larger organisations).

Thirteen per cent do not currently offer coaching or mentoring but are looking to offer it in the next 12

months, while 9% (predominantly smaller organisations) do not offer it and have no plans to do so.¹⁴

Half of L&D content is developed from scratch

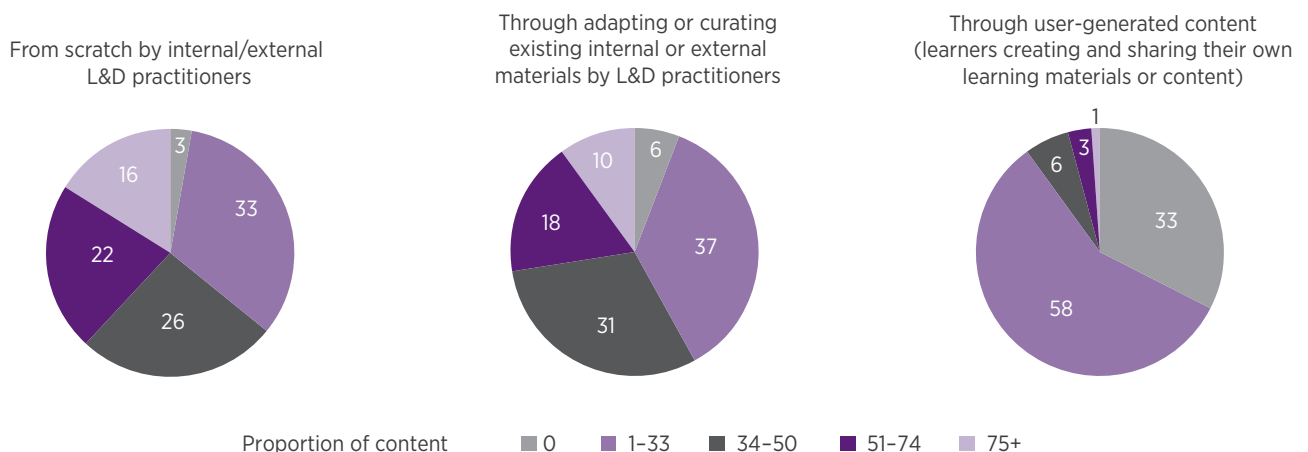
On average, about half of learning and development content is developed from scratch by internal/external L&D practitioners. Two-fifths is developed through adapting or curating existing internal or external materials and one-tenth is developed through user-generated content (learners creating and sharing their own learning materials or content). There is, however, considerable variation across organisations (Figure 6), although this is not significantly affected by organisational size or sector.

Many offer training to non-employee groups

Two-thirds of organisations offer training to non-employee groups, although who they offer training to varies significantly by sector, particularly with regard to the training of volunteers (Figure 7).

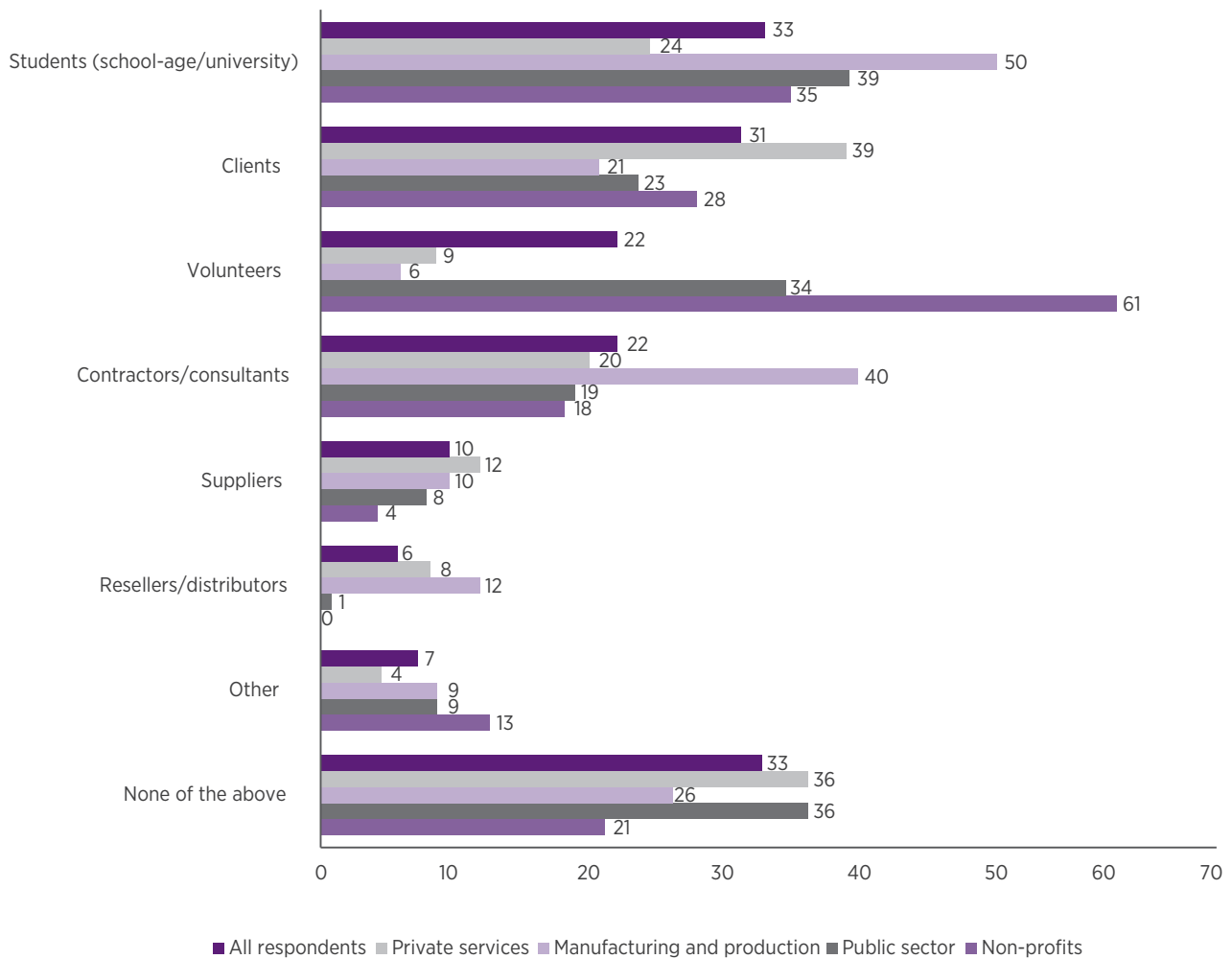
Very small organisations with fewer than ten employees are most likely to offer training to non-employee groups (87%), many because it is their core business as consultants or training organisations.

Figure 6: How L&D content is developed (% of respondents)



Base: 400

Figure 7: Does your organisation offer training for any of the following groups? (% of respondents)



Base: 515

Very large organisations (more than 20,000 employees) are the least likely to offer training to non-employee groups (57%), but there is little variation in organisations of other sizes.

Overall, one-third provide training to students (2014: 37%), although this rises to half of manufacturing and production organisations, up from 41% last year. At the same time, however, the proportion of private services organisations offering training to students has fallen (2015: 24%; 2014: 34%), a concerning trend given the high rates of youth unemployment.

Why organisations train non-employee groups

Training is commonly offered to students for future recruitment purposes, through promoting careers in their industry/organisation, identifying talent, giving them ‘an idea of what to expect in the workplace’ and assisting students in their career choices. A few also said it helped to raise the company profile and attract potential future customers. Several, however, emphasised genuine intentions to promote social responsibility through supporting the local community, developing students’ skills, aiding

their employability and engaging with schools to address skills gaps.

Training volunteers is generally performance-driven: to increase their skills and understanding of organisational goals – because ‘they are essential to our service delivery’ – and also to enable them to ‘work safely’.

Where training is offered to clients, it is commonly to meet core organisational objectives (for example in public health, charitable, education and training organisations). It is used to provide added value (that is, training on

products or services provided), build relationships, enable the business 'to better meet customer expectations' and generate future business.

Training is provided to suppliers, resellers/distributors and contractors/consultants in some cases because it is part of the core business (training providers) but also to meet compliance and regulatory requirements or to promote productivity, efficiency and sales. Training is offered to bring 'all in line with company values and vision', ensure 'consistency in

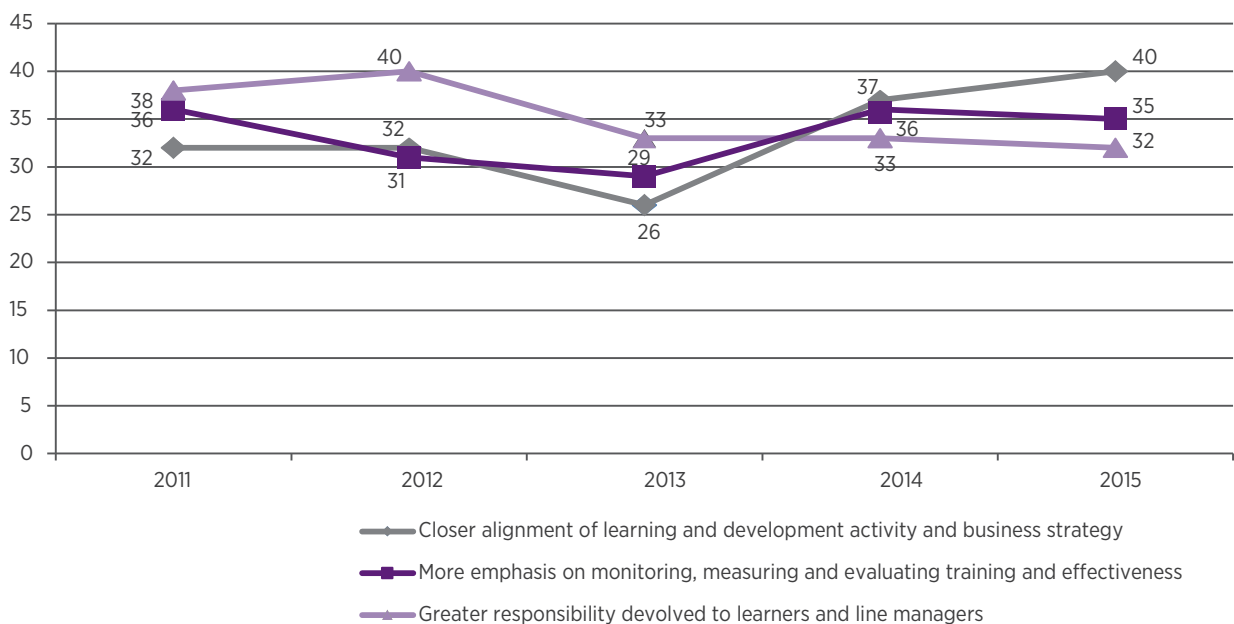
branding and services', to ensure 'company standards are delivered' and to improve systems and product knowledge.

Continued shift towards integration with business strategy

The major changes to L&D over the next two years will focus on closer alignment with the business strategy and more emphasis on monitoring and evaluation (both also top priorities in 2014) (Figure 8). Devolving responsibility to learners and line managers is

also commonly among the top changes (particularly in larger organisations¹⁵), although fewer (15%) include a greater use of self-directed learning (learners identifying and meeting their own development needs) among the top three major changes of the next two years. Organisations that have aligned their L&D strategy to the needs of the business are more likely to anticipate greater use of self-directed learning (22% of those who are 'extremely aligned' compared with 7% of those who are 'not at all aligned').¹⁶

Figure 8: The most common major organisational changes expected to affect L&D over the next two years (% of respondents who included each item in their top 3: 2011-15)



Base: 535 (2015); 1,073 (2014); 1,001 (2013); 763 (2012); 589 (2011)

3 Learning technologies

Three-quarters of organisations use learning technologies and their use is expected to increase; however, face-to-face delivery methods will remain dominant. Many L&D professionals lack confidence in their ability to harness the benefits of learning technologies.

Learning technologies are defined as the broad range of communication and information technologies that can be used to support learning (such as online or mobile learning).

Three in four organisations use learning technologies

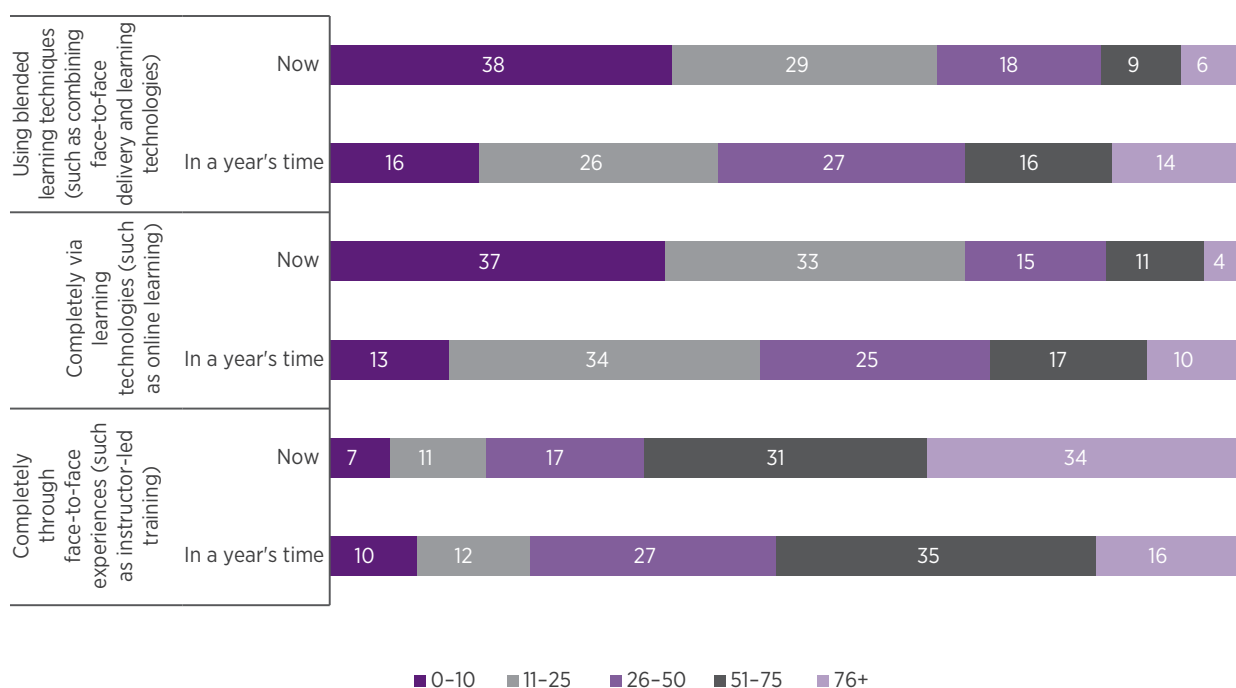
Overall, in similar findings to previous years, three-quarters report they use learning technologies, rising to 88% of the public sector. The use of learning technologies also increases with organisation size.¹⁷

Face-to-face delivery is dominant and expected to remain so

The extent to which learning technologies are used varies considerably (Figure 9). Face-to-face delivery is still clearly popular. One in three of those who use learning technologies currently deliver more than three-quarters of their L&D activities completely through face-to-face experiences and more than two-thirds report that less than a quarter of activities are delivered through learning technologies or blended learning.

‘Having the resources and skills are instrumental in harnessing the benefits of technology.’

Figure 9: Proportion of L&D activity delivered face to face, through learning technologies and a combination of both, now and in a year’s time (% of respondents who use learning technologies)



Base: 336

Looking forward a year, organisations anticipate greater use of learning technologies and blended learning, but 51% still expect more than half of their L&D activities to be delivered face to face.

The extent of blended learning, now and in a year's time, is greater in larger L&D teams and where professionals are more confident in their ability to harness technology to increase the effectiveness of L&D interventions.¹⁸ Having the resources and skills are instrumental in harnessing the benefits of technology.

Mobile learning technologies will have greatest impact on L&D

Developments in mobile learning technologies, followed by virtual classrooms and social media, are

expected to have the greatest impact on the L&D profession in the next five years (Figure 10). Manufacturing and production organisations are more likely than those in other sectors to include cloud computing among the top three technologies that will impact L&D (22%; private services: 9%; public sector: 15%; non-profits: 6%).¹⁹

Many lack confidence in their ability to use learning technologies

Just a quarter of respondents, regardless of role level, feel 'extremely' or 'very' confident in their ability to harness technology to increase the effectiveness of their L&D interventions (Figure 11). Professionals in private services organisations have greatest confidence (30% are 'extremely' or 'very' confident).²⁰

Confidence is also greater in organisations that actively encourage and enable the development of L&D capability (Figure 11),²¹ but even where the development of L&D capability is greatly encouraged, just one-third are 'extremely' or 'very' confident in their ability to harness technologies. Confidence is particularly low where L&D is part of generalist HR, activities (just 8% are 'extremely' or 'very' confident) compared with where it is a specialist role within or separate from HR, or partially reports to HR and partially elsewhere.²²

As noted above, levels of confidence in abilities to harness technology is associated with the use of blended learning, now and in a year's time. It is not, however, related to the proportion of L&D delivered

Figure 10: Which three developments in learning technologies will have the greatest impact on the L&D profession in the next five years? (% of respondents)

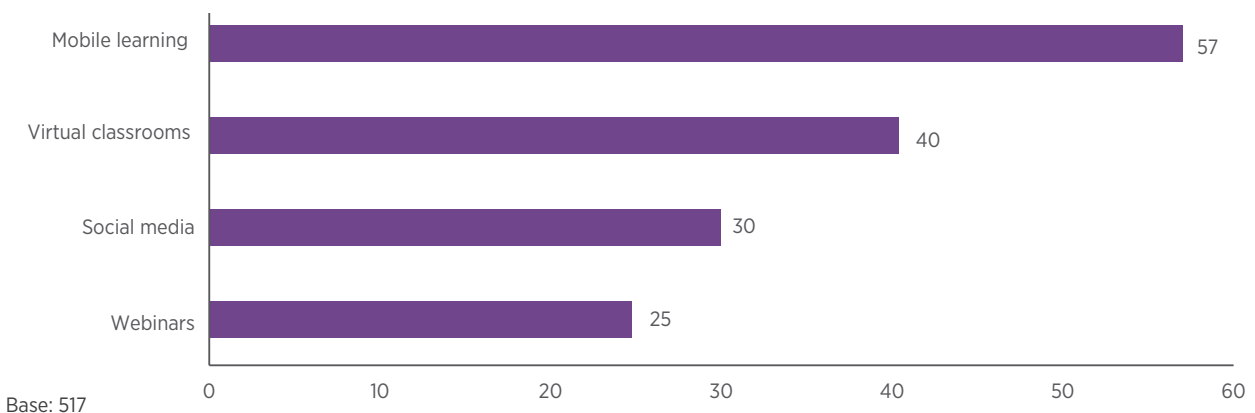


Figure 11: Confidence in ability to harness technology to increase the effectiveness of L&D interventions according to the extent to which organisations encourage development (% of respondents)



completely via learning technologies. Similarly, confidence in harnessing technologies is not significantly related to an increase in the use of e-learning courses over the next two years, although it is related to the use of other learning activities that involve technology (Figure 12). This suggests that a lack of confidence may lead to a de-prioritisation or lack of awareness of certain learning technologies.

How to increase confidence in learning technologies

Most of those who lack confidence in using learning technologies feel they would benefit from greater

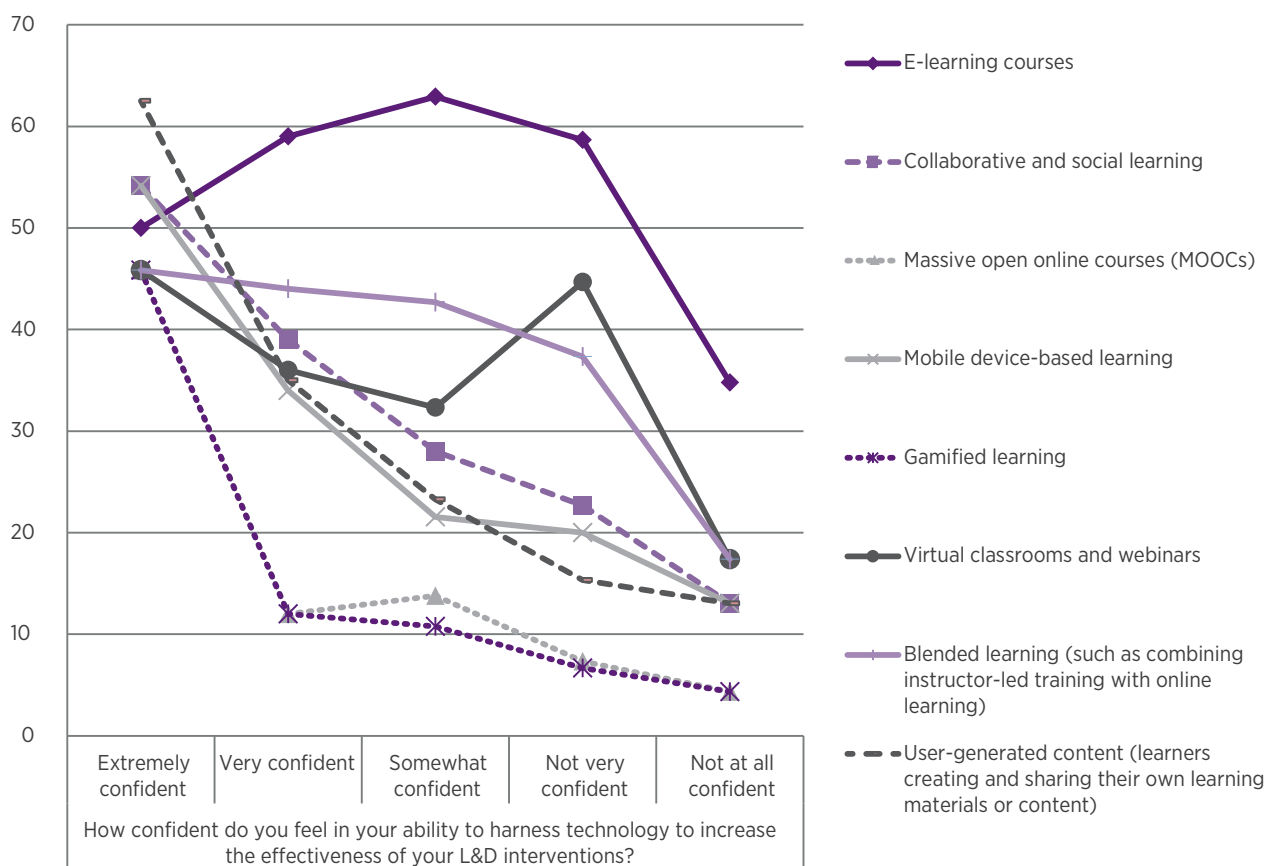
understanding and knowledge of technologies and how they can be used. Several called for more *'simple terminology'*, *'bite sized introductions to what is currently available'*, and *'more basic courses, guides or articles'*. Many consider that training and the opportunity to experience and practise using the systems would be beneficial. Some also believe they would benefit from expert help, mentors or support from IT colleagues.

A small proportion feel constrained by lack of time or financial resources to invest in researching, training and implementing new

technologies. For a minority, existing IT systems and skills are felt to be inadequate to support learning technologies.

Several people believe their confidence would be boosted by *'evidence of success'*, *'exposure to case studies'* and practical application in similar organisations or industries. One in eleven (9%) report that they, or their organisation, are not convinced that technology will bring benefits to L&D. Some feel learning technologies are not relevant to them or that their organisational culture isn't ready.

Figure 12: Expectation that methods will increase in use over the next two years compared with confidence in harnessing learning technologies (% of respondents)



Base: 529

4 Leadership development

Here we turn to look at leadership development within organisations, as this represents a core focus for many L&D professionals. Most organisations conduct leadership development activities. They are commonly focused on equipping line managers to improve performance, changing organisational culture and encouraging strategic thinking.

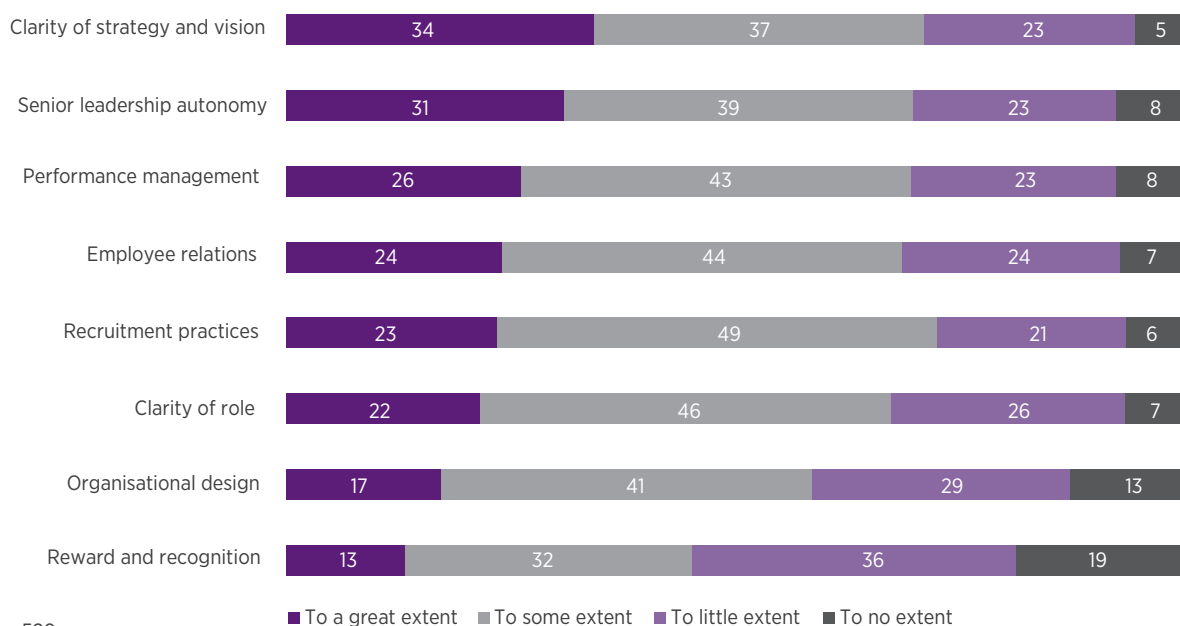
Most conduct leadership development activities

In similar findings to previous years, 80% of organisations report they will be carrying out leadership development activities in the next 12 months. One in ten will not do so, while a similar proportion doesn't know. Organisations with 250+ employees are most likely to be carrying out leadership development activities.²³ In addition, leadership development activities are more common in organisations where L&D is aligned with the needs of the business.²⁴

Equipping line managers to improve performance is a key focus

Half of respondents report that one of the top three priorities of their leadership development activities in the next year will be equipping line managers to improve staff performance. Other top priorities include changing/enhancing the organisational culture (45%) and improving the skills of existing leaders to think in a more strategic and future-focused way (40%).

Figure 13: To what extent do the following people management practices support effective leadership in your organisation? (% of respondents)



About a third report their leadership activities will focus on developing high-potential individuals as future executives, improving the performance of top leaders and improving staff engagement levels.

Private sector organisations are less likely to include changing/enhancing the organisational culture than public or non-profit organisations and slightly more likely to report developing international/cross-cultural teams will be a key focus.²⁵ The size of the organisation has little impact on the focus of leadership development activities.

How do people management practices support effective leadership

Most believe that their people management practices support effective leadership in their organisation at least to some extent (Figure 13) – although there is clearly room for improvement, particularly with regard to reward and recognition practices and organisational design.

Reward and recognition practices are seen to be particularly poor in the public and not-for-profit sectors, where over two-thirds report they support effective leadership to little or no extent, compared with just under half of the private sector.²⁶ Larger organisations are also less likely to report that people management practices around role clarity, organisational design, employee relations and senior leadership autonomy are supportive of effective leadership.²⁷

Regardless of sector or size, how well people management practices support effective leadership increases the more aligned L&D strategy is with the needs of the business.²⁸

‘Most believe that their people management practices support effective leadership in their organisation at least to some extent.’

5 Talent management

Talent management is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their ‘high potential’ for the future or because they are fulfilling business-/operation-critical roles. Three-fifths undertake talent management activities and most believe they are at least fairly effective.

Talent management activities are more common in larger organisations

In findings similar to previous years, nearly three-fifths of organisations report they undertake talent management activities, although they are more common in larger organisations²⁹ and least common in the non-profit sector (40%).³⁰ In addition, talent management activities are more common in organisations where L&D strategy is aligned to the needs of the business.³¹

Half include all staff in talent management activities

Just over half of organisations cover all staff in their activities, rising to two-thirds of organisations with fewer than 1,000 employees.³² Those that target specific groups of staff usually focus on high-potential employees (Figure 14).

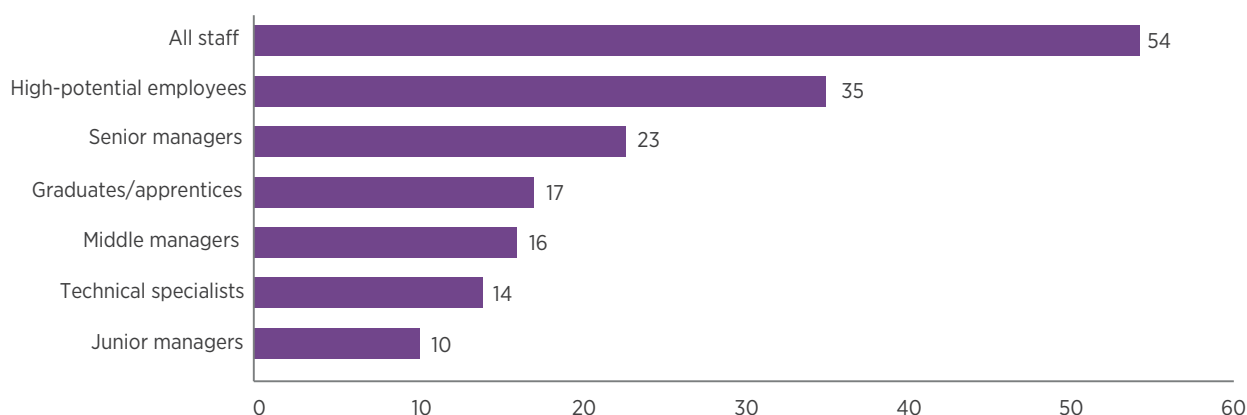
Focus remains on developing high-potentials and future leaders

The main priorities of talent management activities are similar to the last few years. Developing high-potential employees and growing future leaders remain the most common objectives (Figure 15). Both of these objectives, however, are more common in larger organisations. Smaller organisations are more likely to focus on enabling the achievement of the organisation’s strategic goals and retaining key employees.

High-potential in-house development activities and coaching are most popular

High-potential in-house development schemes, coaching, mentoring and buddying schemes are among organisations’ most commonly used and their most effective talent management

Figure 14: Which of the following groups of employees are covered by talent management activities? (% of those with talent management activities)



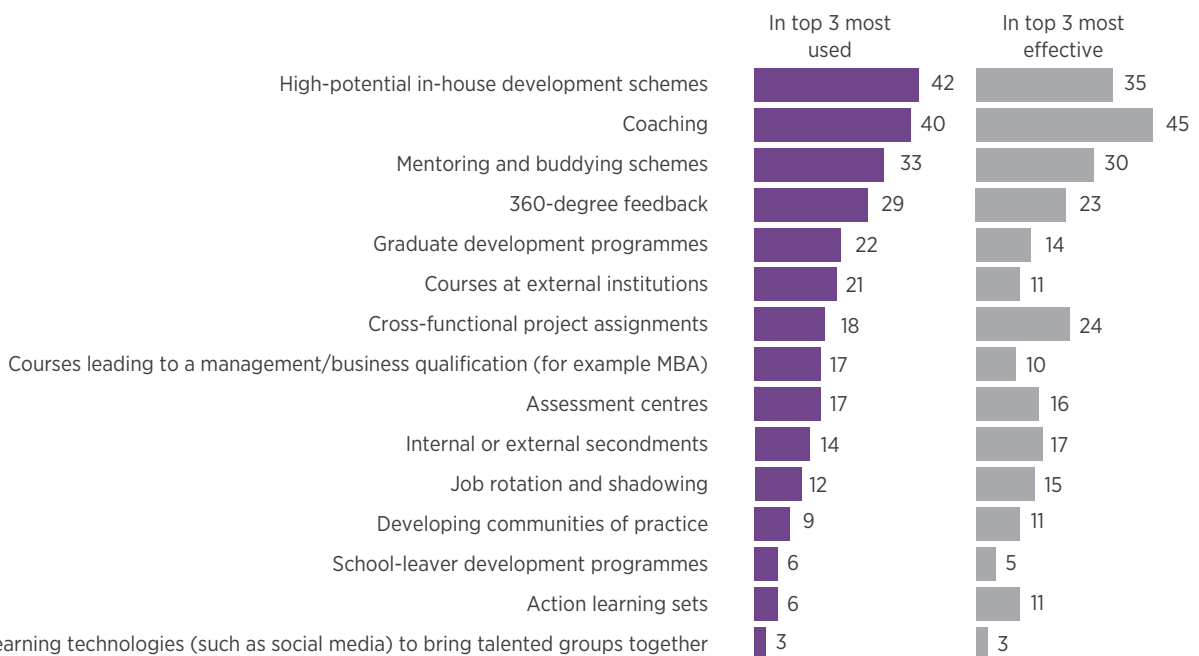
Base: 287

Figure 15: Which three of the following best represent the main objectives of your organisation's talent management activities? (% of respondents with talent management activities)



Base: 289

Figure 16: Which three of the following talent management activities are most used and most effective in your organisation? (% of respondents with talent management activities)



Base: 276

activities, echoing the findings for general learning and development activities (Figure 16).³³ Larger organisations are particularly likely to favour high-potential in-house development schemes, while developing communities of practice, using learning technologies to bring talented groups together and courses at external institutions are more common in smaller organisations.³⁴

Talent management activities are 'fairly' effective

In similar findings to last year, three-fifths of organisations with talent management activities believe they are at least fairly effective, although just 5% say they are very effective. High-potential in-house development schemes are linked with increased effectiveness, while those who use courses at external institutions gave lower ratings of effectiveness.³⁵

Very small organisations, with fewer than 50 employees, are most likely to report their activities are effective (88%).³⁶ In addition, talent management activities are considered to be more effective in organisations that are more active in encouraging the development of L&D capability (see Section 6).³⁷

6 The development of L&D professionals

Most organisations encourage the development of L&D professionals. With the current focus on alignment with business strategy, business and commercial awareness and the ability to work collaboratively across the organisation are seen as key competences for success in L&D.

Most organisations encourage L&D development to some extent

Over a third of those with L&D/HR/OD roles report their organisations actively encourage and enable them to develop their L&D capability 'to a great extent', regardless of organisation size or sector. More than one in five, however, report their development is only encouraged to 'a little extent' or 'to no extent'. HR managers/business partners and those in less senior L&D/HR roles are less likely to report their development is supported to a great extent (Figure 17).

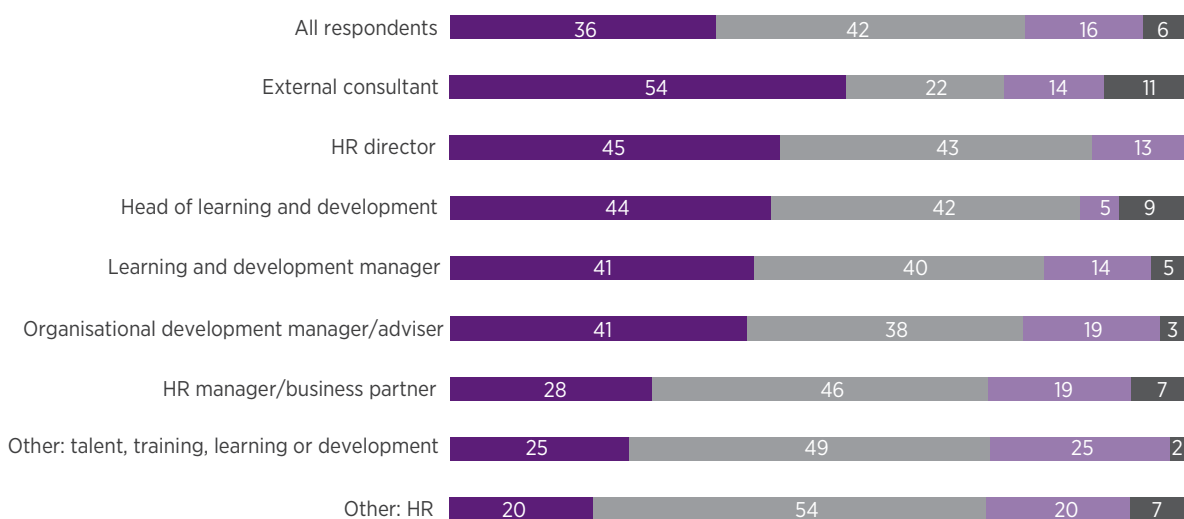
Respondents are three times as likely to report their development

is encouraged to a great extent where L&D strategy and business needs are extremely aligned (57%) compared with where they are not at all aligned (19%).³⁸

How organisations facilitate the development of L&D capability

Most organisations encourage and enable the development of L&D capability through providing time and/or funding for training events, courses, conferences, webinars or study and many also provide opportunities to achieve formal qualifications. Some also support or encourage networking outside of the organisation, through organised events, forums, communities of practice, liaison with local

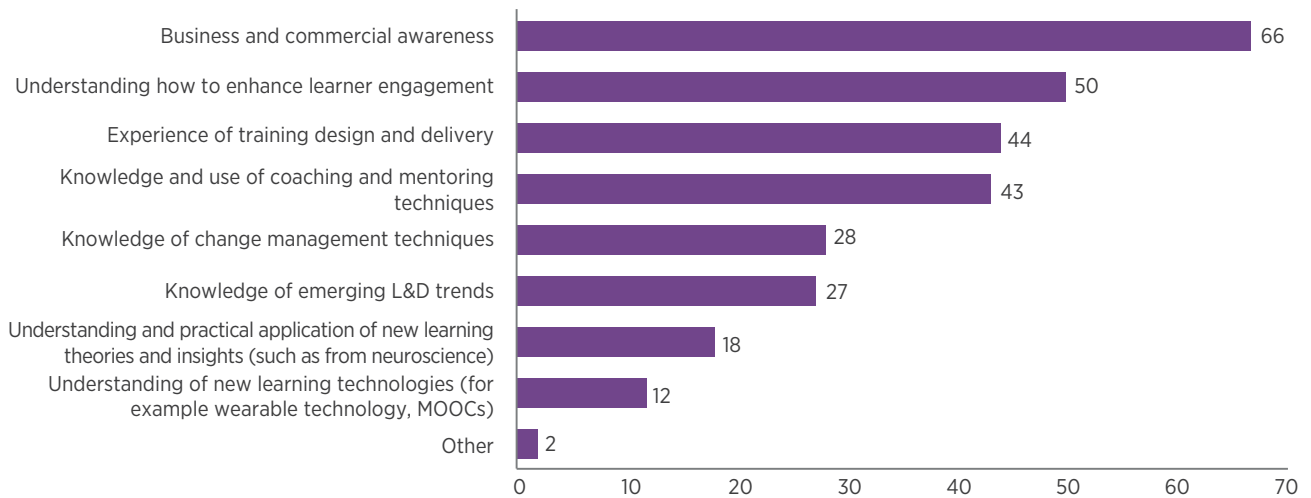
Figure 17: Extent to which organisations actively encourage and enable the development of L&D capability, by role (% of respondents with L&D/HR/OD roles)



■ To a great extent ■ To some extent ■ To little extent ■ To no extent

Base: 469

Figure 18: Which three of the following areas of *knowledge and experience* most contribute to the success of an L&D/OD professional? (% of respondents with L&D/HR/OD roles)



Base: 469

academic partners and working with external experts or coaches. Within organisations, development is not only encouraged through formal training opportunities but also through the provision of a diverse range of opportunities and responsibilities, secondments, coaching, mentoring and knowledge-sharing (for example through cross-team working or sharing ideas within teams or with peers).

Performance management systems are seen to play a useful role through regular appraisals, encouraging self-reflection, personal development plans and targets linked with business objectives. Several respondents report that their organisation is keen to support their proposed development activities if they provide a business case.

Others assert that development is *'in the culture'*. It is *'clearly stated in the mission and vision statement'*, *'an integral part of ... strategic planning'*, encouraged by leaders or managers through active support, *'appreciation of the L&D function being related closely to the OD and business strategy'* and *'rewarding achievement'*.

Some report they are encouraged to direct their own development, they are *'empowered to source their own learning opportunities'*, have the *'autonomy to create what is needed'* and the *'freedom to experiment and discover new methods and try them out – and then reflect upon the results'*.

Business and commercial awareness and the ability to work collaboratively are key to success in L&D

Regardless of role level, business and commercial awareness is considered to be the area of *knowledge and experience* that most contributes to the success of an L&D professional (Figure 18).³⁹ Knowledge and experience of enhancing learning engagement, training and coaching techniques are generally considered more important than keeping up to date with new L&D trends, learning theories and technologies. This does not, however, imply that emerging fields aren't important. Insights from neuroscience, psychology and other disciplines may be embedded in techniques for enhancing learner engagement and coaching/mentoring, for example.

'...business and commercial awareness is considered to be the area of knowledge and experience that most contributes to the success of an L&D professional.'

The *behavioural attributes* most commonly considered important for success in L&D include working collaboratively across an organisation, the ability to think innovatively and offer creative solutions and the ability to influence the organisation (Figure 19).

Integrating knowledge from other areas

Most respondents are aware of the

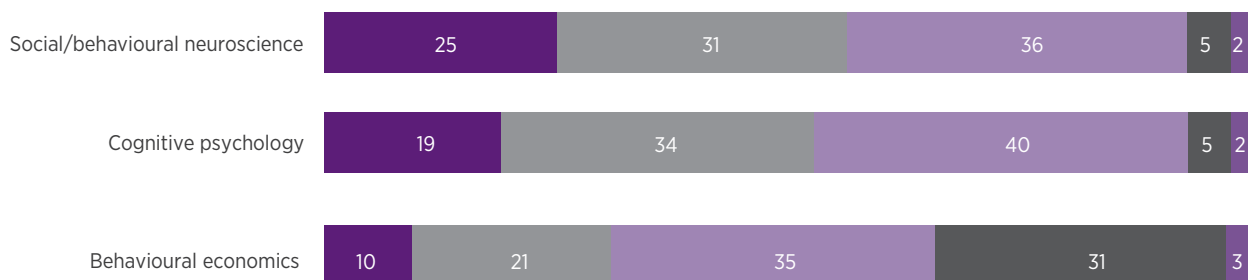
relevance of other disciplines such as social/behavioural neuroscience and cognitive psychology for L&D, although not all fully understand them. Nevertheless, a quarter and a fifth, respectively, report they are conversant and integrate findings from these disciplines into practice, representing growing awareness of these disciplines (Figure 20). Fewer are aware of and use findings from behavioural economics.

Organisational development managers/advisers and external consultants are most likely to integrate the knowledge from these disciplines into practice.⁴⁰ In addition, awareness and use of such knowledge is greater the more organisations actively encourage the development of L&D capability.⁴¹

Figure 19: Which three of the following behavioural attributes most contribute to the success of an L&D/OD professional? (% of respondents with L&D/HR/OD roles)



Figure 20: How aware are you of the following disciplines? (% of respondents with L&D/HR/OD roles)



- Aware. I consider myself conversant and integrate findings into practice
- Aware but don't use in my practice
- Aware but don't fully understand
- Haven't heard of this
- Don't see the relevance of this discipline

Base: 471

7 Assessing the impact of L&D activity

Most organisations assess the impact of their L&D initiatives, although evaluations are often limited to participant satisfaction and many encounter barriers to evaluations. Where L&D is aligned with business strategy, evaluations tend to be more in depth and the data collected more widely used. Three in ten organisations quantify the impact of L&D on productivity.

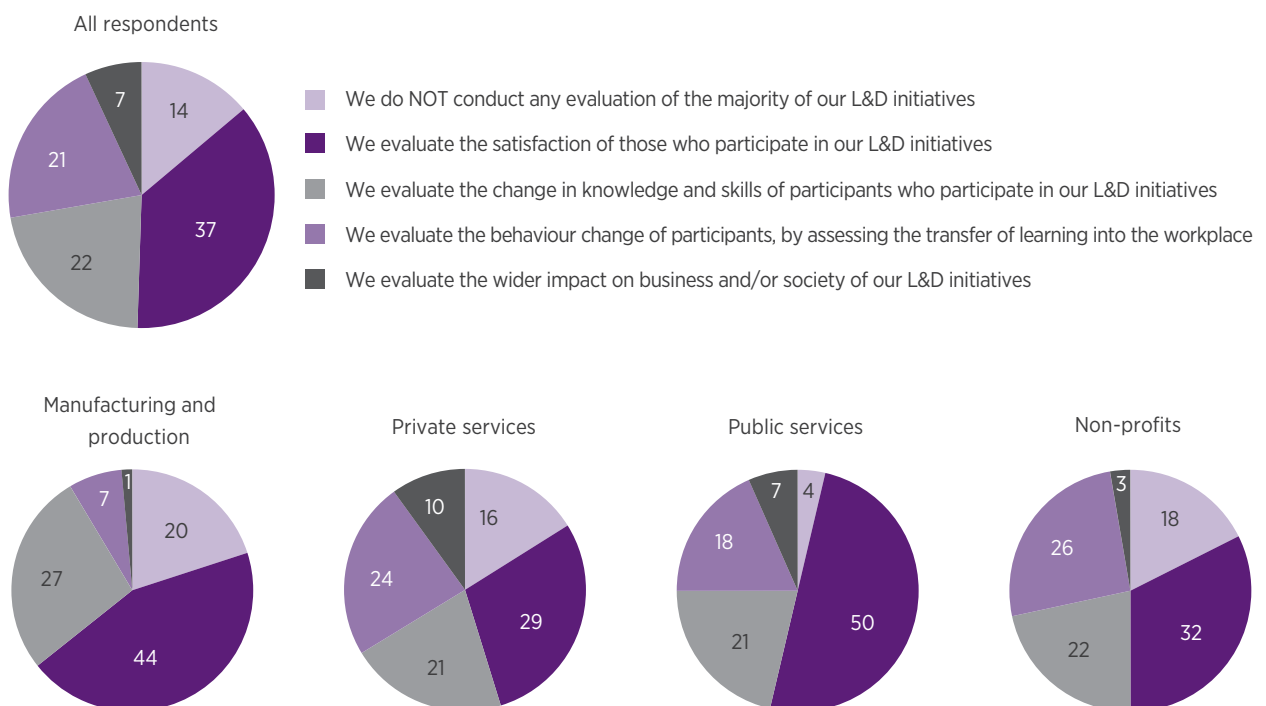
Most conduct limited evaluations of L&D effectiveness

Most organisations evaluate the majority of their L&D initiatives in some way (Figure 21). Public sector organisations are most likely to conduct evaluations, although half just assess the satisfaction of participants.⁴² Evaluations are also more common where L&D is a specialist function/role within HR (95%) than where L&D is part of generalist HR activities (78%), just partially part of HR (86%) or separate from HR (85%).⁴³

Only a small minority evaluate the wider impact on business or society, although one-fifth assess the behaviour change of participants by assessing the transfer of learning into the workplace. Evaluations are considerably more common and more in depth in organisations where L&D is aligned with business strategy and where the development of L&D capability is encouraged and enabled.⁴⁴

‘Evaluations are considerably more common and more in depth in organisations where L&D is aligned with business strategy.’

Figure 21: How the majority of L&D initiatives are evaluated, by sector (%)



Base: 541

Most evaluations focus on learner and manager feedback

Learner and manager reflection and feedback are most commonly used to assess the effectiveness of L&D interventions (Figure 22). There are few sector differences in the methods used, although private services organisations are more likely to use business metrics than organisations in other sectors.⁴⁵ Those who generally focus their evaluations on measuring participant satisfaction are less likely to use all the methods listed compared with those who assess the transfer of learning into the workplace or the wider impact on society/business.⁴⁶ Those who evaluate the wider impact on society/business are particularly likely to use business metrics.⁴⁷

The more aligned L&D is with business strategy, the more likely they are to use all of the evaluation methods listed. In addition, all except the use of HR and business metrics are more common in organisations

that encourage and enable the development of L&D capability.⁴⁸

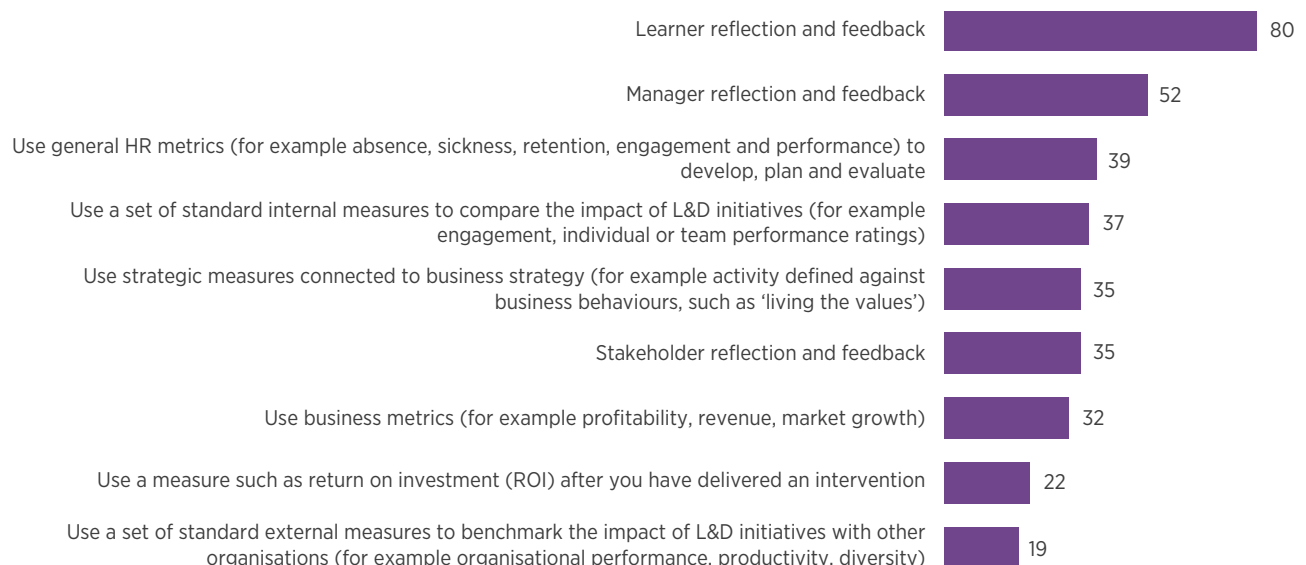
Three in ten quantify the impact of L&D on productivity

Three in ten organisations (29%) quantify the impact of L&D activity on productivity.⁴⁹ Private services organisations are most likely to do this (35%; manufacturing and production: 28%; public sector: 23%; non-profits: 18%).⁵⁰ Quantifying L&D's impact on productivity is also more common where greater alignment exists between L&D and organisational strategy.⁵¹

Organisations use a range of metrics to quantify impact on productivity

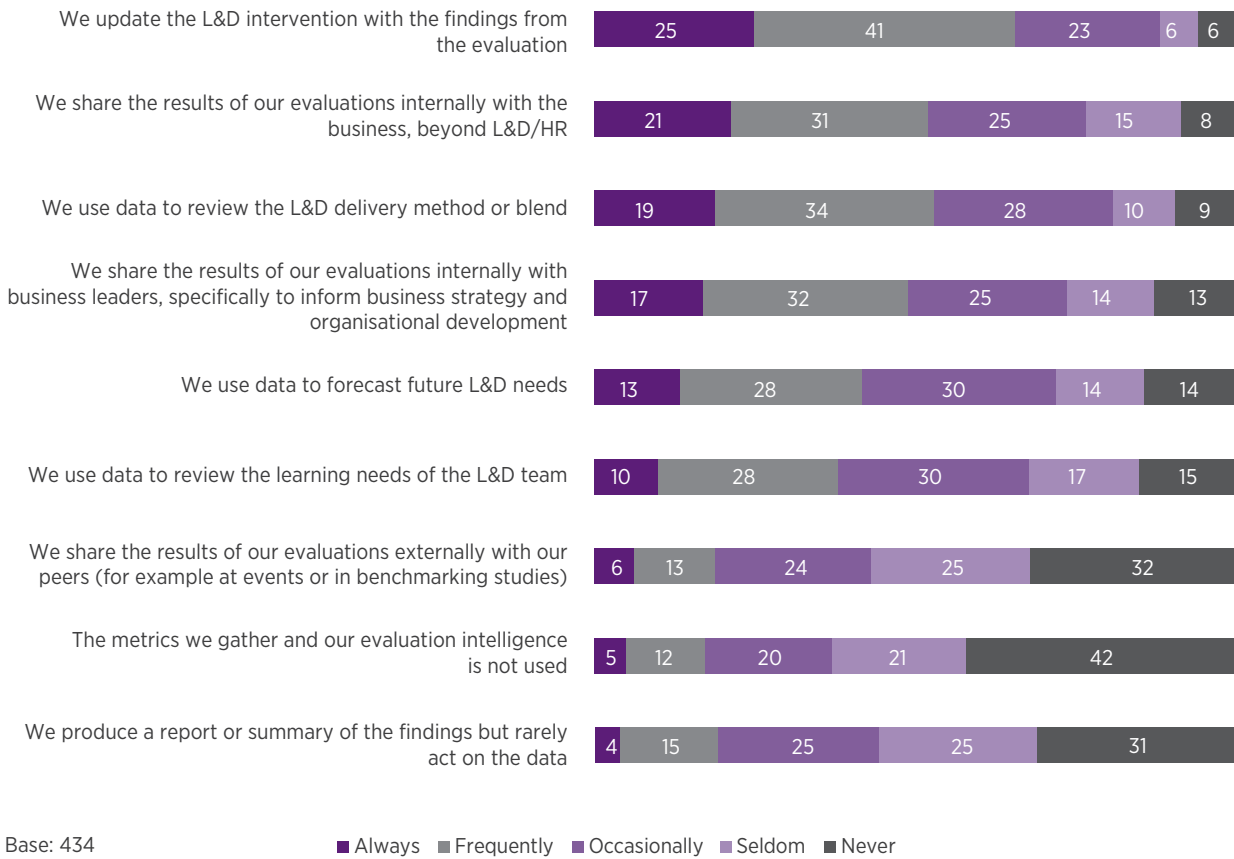
The metrics organisations use to quantify the impact of L&D on productivity include sales, profit, performance or productivity figures, efficiency savings and quality measures. For some these metrics are at the organisational level ('measured against organisational objectives

Figure 22: Proportion who always or frequently use the following measures to assess the effectiveness of L&D interventions (% of respondents who conduct evaluations)



Base: 454

Figure 23: How do you use the findings of your L&D evaluations? (% of respondents who conduct evaluations)



and vision’) while others use ‘departmental metrics’. Several incorporate the cost and time of training in benefits analyses and some specify that measures are taken before and after development interventions.

Some also assess the impact of L&D on behaviours and culture (for example, individuals’ contribution to teamwork) by agreeing key performance indicators or expectations with key stakeholders pre- and post-intervention and assessing if those indicators or expectations are met. Many use appraisals to agree and review specific measurable learning objectives. Organisations also gather feedback to assess impact through surveys, stakeholders,

clients and customer service satisfaction measures.

A minority said they quantify impact through measuring voluntary turnover and the proportion of internal promotions versus external recruitment.

Organisations that quantify the impact of L&D activity on productivity are more likely to use a range of methods to evaluate their activities compared with those who don’t quantify impact. In particular, they are more likely to always or frequently use a set of standard external measures (31% compared with 11%), return on investment measures (37% versus 14%) and business metrics (50% versus 23%).

Evaluation data is most often used to update L&D interventions

Evaluations are most commonly used to update the L&D intervention and review the delivery method (Figure 23). More than half always or frequently share the results of evaluations internally, while just under a fifth do so externally (falling to 9% of manufacturing and production organisations).⁵²

Larger organisations are somewhat more likely to report that they ‘produce a report or summary of the findings but rarely act on the data’ or that they do not use the metrics and evaluation intelligence they gather.⁵³

Figure 24: How the findings of L&D evaluations are used, by how aligned L&D is with business strategy (% of respondents who conduct evaluations)

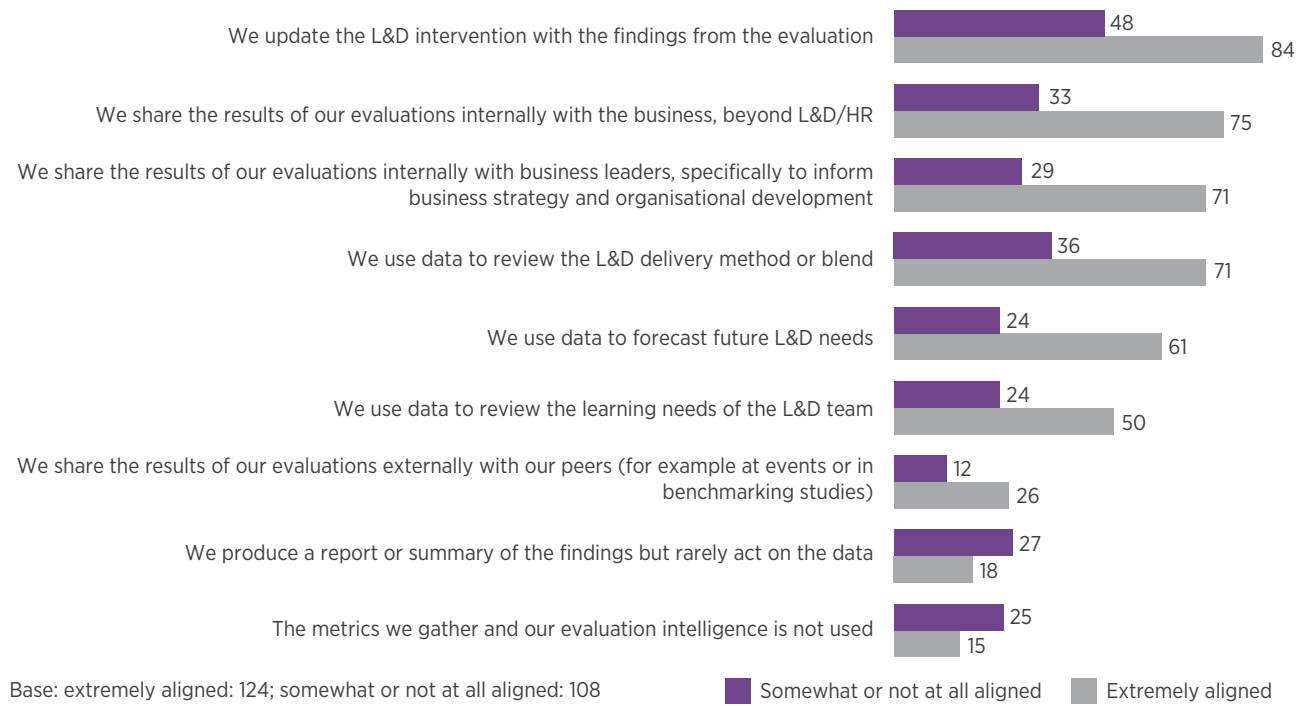
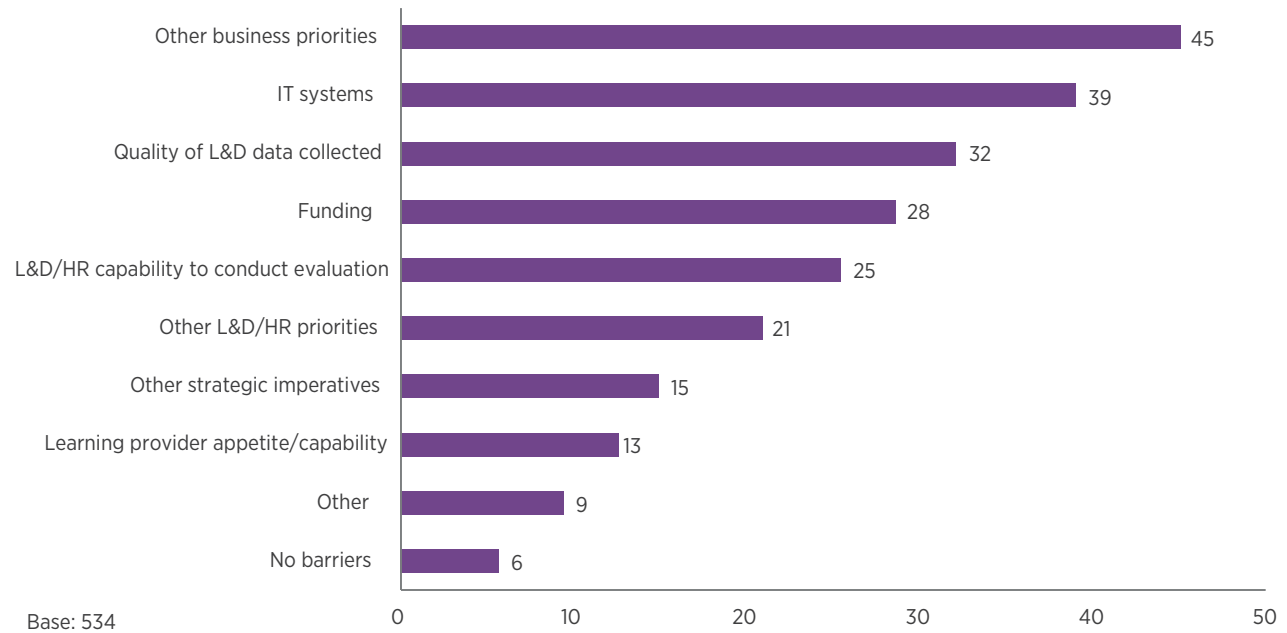


Figure 25: Are any of the following barriers to evaluating your L&D initiatives? (% of respondents)



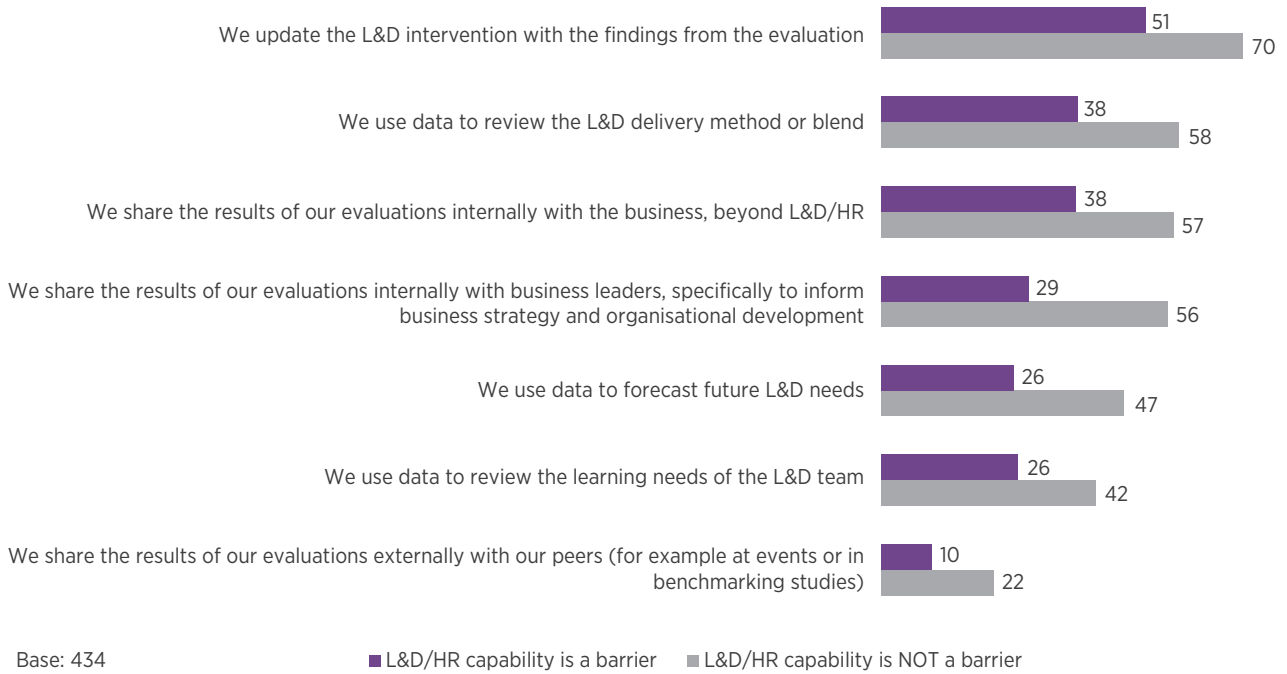
Evaluation data is more widely used in organisations where L&D and business strategy are aligned (Figure 24). The extent to which organisations encourage L&D development is also associated with more widespread use of findings from L&D evaluations.⁵⁴

Most encounter barriers

The vast majority experience barriers in evaluating their L&D initiatives (Figure 25). Other business priorities are the most common obstacles, followed by IT systems, although this is more of an issue in larger organisations.⁵⁵ Many

also report barriers within L&D/HR, in particular the quality of L&D data collected (32% overall, rising to 45% of the public sector⁵⁶), L&D/HR capability to conduct the evaluation and other L&D/HR priorities.

Figure 26: Proportion always or frequently using the findings of their L&D evaluations, by whether or not L&D/HR capability to conduct evaluations is a barrier (% of respondents)



Organisations that encourage and enable the development of L&D capability still experience these barriers, perhaps indicating that analytical skills are not the focus of development activities.

Where L&D/HR capability to conduct evaluations is a barrier, organisations are significantly less likely to use their evaluation data in any of the ways examined (Figure 26).⁵⁷ Those who report the *quality* of L&D data collected is a barrier are less likely to share the results of evaluations internally with business leaders, and are more likely to report that they rarely act on or use the data they gather.⁵⁸ Organisations are less likely to use data to review the L&D delivery method or blend where other strategic imperatives are a barrier. They also use data to forecast future L&D needs less frequently when other business and/or L&D priorities are an impediment.⁵⁹

8 Economic situation and L&D resources

The public sector faces ongoing reductions in L&D resources. In the private sector there are signs of improvement, at least for some. Workloads have increased across all sectors.

Economic circumstances vary

Nearly half describe their current economic/funding circumstances as similar to what they've experienced over the past 12 months. The rest are twice as likely to report they now face a worse situation than an improved one, but the picture is markedly different across sectors. The majority of public sector organisations report their situation is worse now, while the picture is more mixed in the private sector (Figure 27).

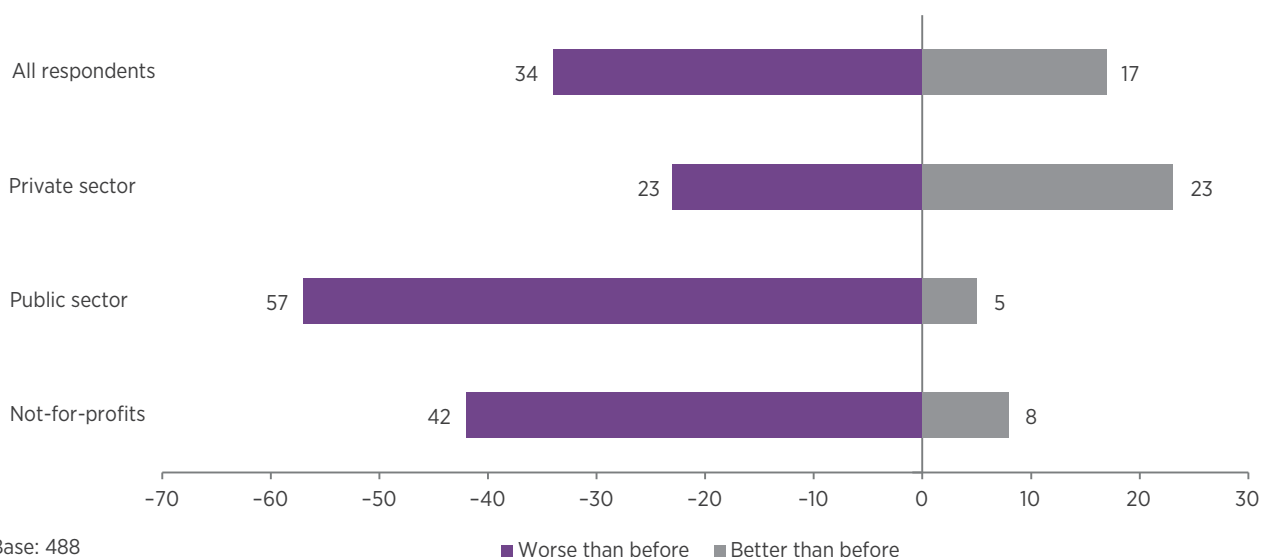
L&D resources are related to general economic circumstances

Organisations that are experiencing a worse economic situation now compared with the last 12 months

are more likely to report that L&D budgets, headcount and use of external associates have decreased in the last 12 months (regardless of sector).⁶⁰

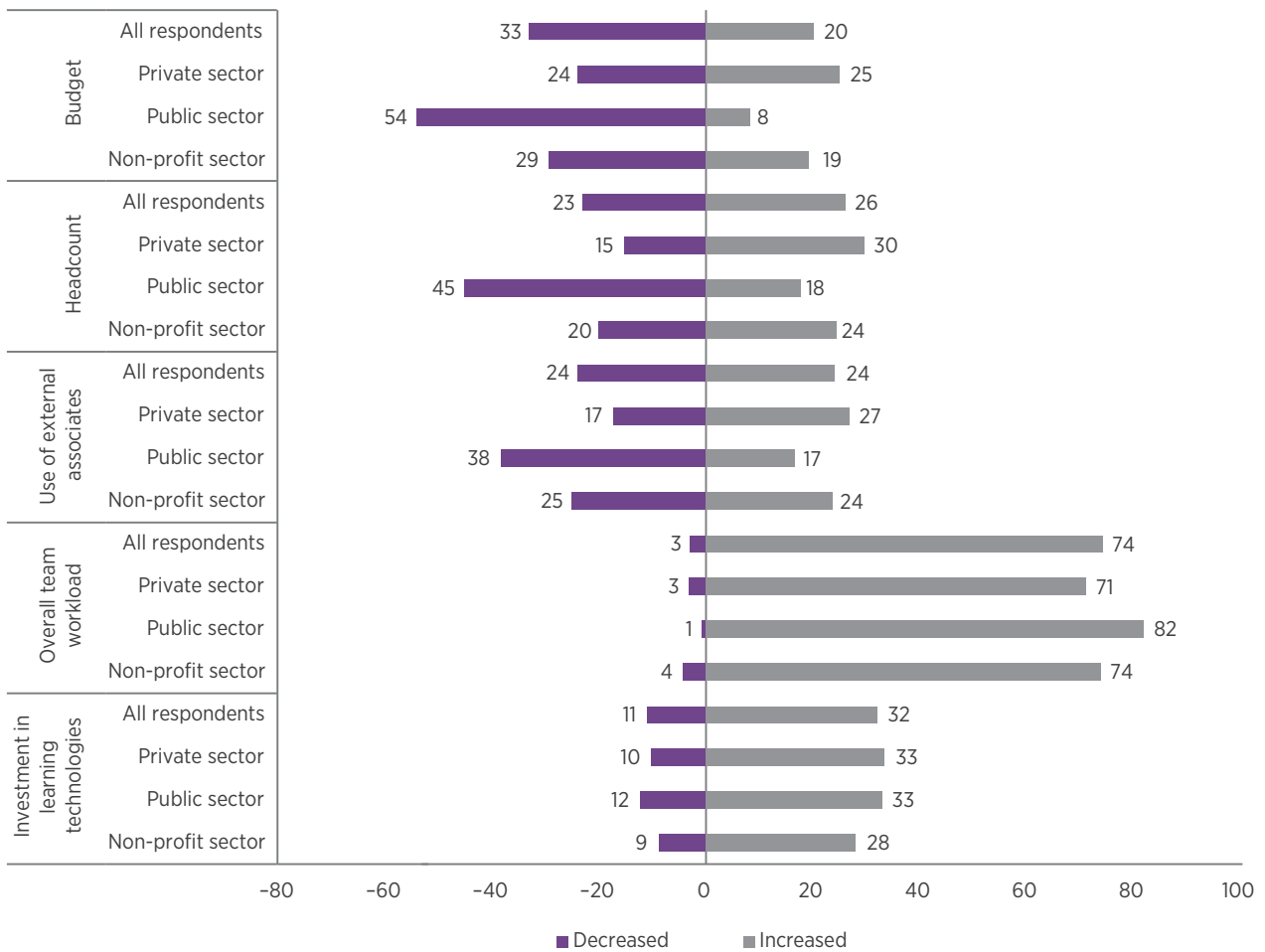
The public sector, facing ongoing budget cuts, is most likely to report that L&D resources have decreased. At least twice as many public as private sector organisations report that budget, headcount and use of external associates have decreased over the past year (Figure 28). In the private sector, while organisations are evenly split regarding whether L&D budgets have increased or decreased, they are twice as likely to report that L&D headcount has increased than that it has decreased. They are also more likely to report that the use

Figure 27: How would you describe the economic/funding circumstance facing your organisation in general now, in comparison with the past 12 months? (% of respondents)



Base: 488

Figure 28: Changes to L&D department budget, headcount and workload over the past 12 months (% of respondents)



Base: 502

of external associates has increased than decreased. Decreases in budget, headcount and the use of external associates are more common in larger organisations, across all sectors.⁶¹

A third of organisations across all sectors have increased their investment in learning technologies in the past 12 months, although this is less common in smaller organisations with fewer than 250 employees (21% versus 39% of larger organisations).⁶² Investment in learning technologies is greater

in organisations that have seen an increase in their L&D budgets⁶³ and where L&D professionals are more confident in their ability to harness the benefits of technology.⁶⁴

Three-quarters of organisations across all sectors report that their overall team workload has increased over the last year, but this was less common in smaller organisations (61% versus 82% of larger organisations).⁶⁵ Workloads have increased in organisations that have expanded their L&D budget, headcount and use of external

associates (presumably to meet growing demand/increase activity) *and* in those where resources have reduced, presumably as many are seeking to 'do more with less'.⁶⁶

Considerable variation in L&D budgets

Most organisations with more than 250 employees have a learning and development budget (85%). Smaller organisations are less likely to have a specific budget (43% of organisations with fewer than 50 employees; 66% of those with 50–249 employees).⁶⁷

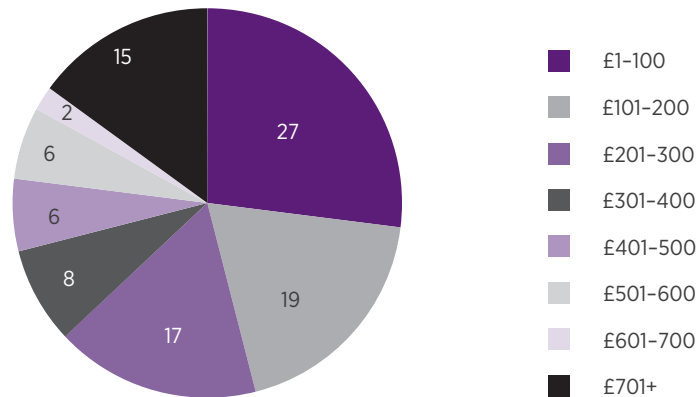
‘There is considerable variation in L&D budgets.’

While the median annual L&D budget range is £201-250 per employee, Figure 29 shows there is considerable variation in L&D budgets.⁶⁸ Just over a quarter have an annual budget of less than £100 per employee, while one in seven have a budget of more than £700. There are no significant sector differences, although larger organisations tend to have

a slightly smaller budget per employee, perhaps partly because larger organisations benefit from economies of scale.⁶⁹

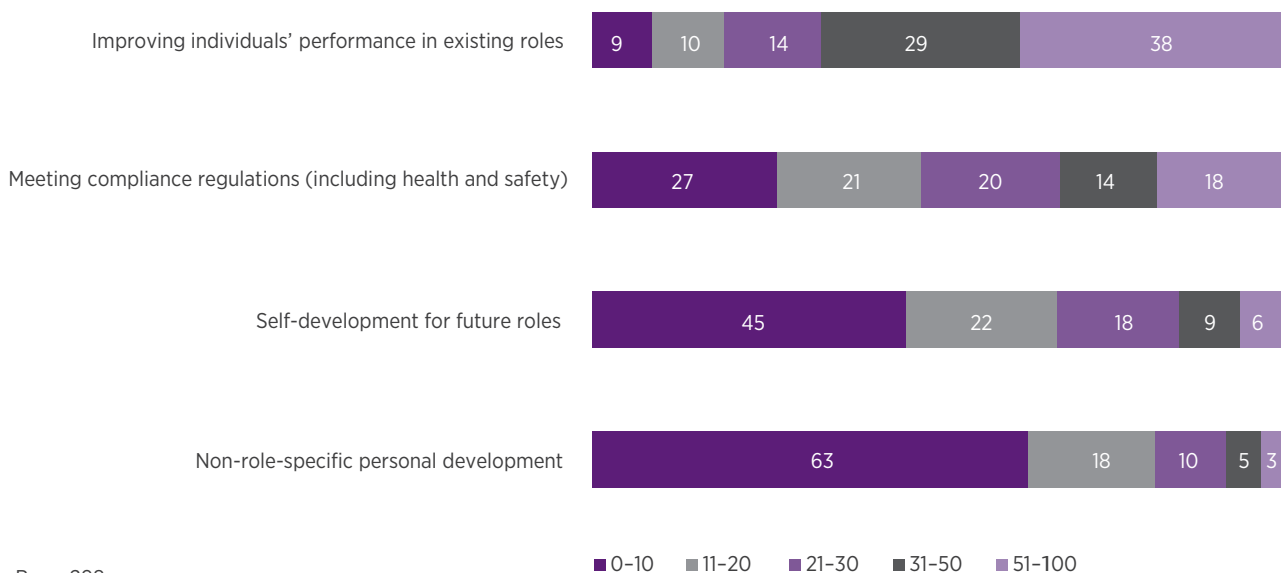
Figure 30 shows that the largest proportion of development budgets go on improving individuals’ performance in existing roles, followed by meeting compliance regulations.

Figure 29: Annual training budget per employee (% of respondents who have a specific L&D budget)



Base: 266

Figure 30: What proportion of your organisation’s overall L&D budget is aimed at...? (% of respondents)



Base: 298

Larger organisations, with more than 250 employees, tend to devote a higher proportion of the budget to compliance and smaller organisations with fewer than 250 employees to development for future roles.⁷⁰

Private sector employees receive more training hours

Three-fifths (61%; 2014: 62%; 2013: 64%; 2012: 51%) of organisations report that they record the number of training/development hours employees receive in a 12-month period. Smaller organisations with fewer than 250 employees are somewhat less likely to do so (52% compared with 66% of larger organisations).⁷¹

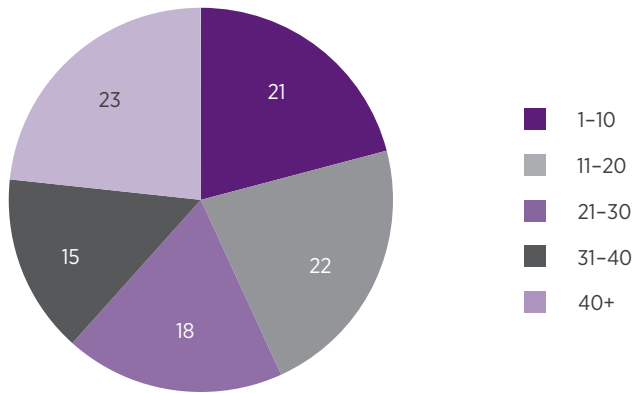
The average number of training hours employees receive varies considerably across organisations (Figure 31), though the median range is 21-25 hours. Training hours tend to be higher in the private services sector⁷² and where organisations have larger L&D budgets.⁷³

Future of L&D funding

The outlook for L&D funding is similar to last year. Over a quarter of the private sector anticipate an increase in the funding of L&D over the next 12 months, while 15% anticipate a decrease. The public sector is far less positive, with more than half anticipating a decrease (Figure 32).

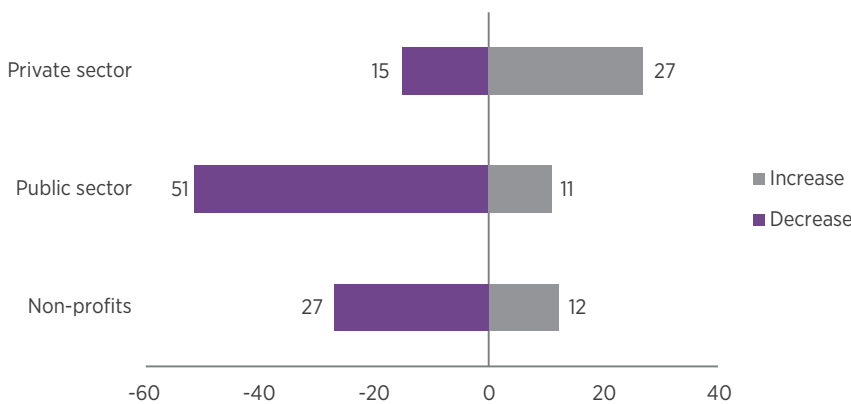
As we've found in previous years, organisations' predictions for the future are significantly related to their experience of the past 12 months in all sectors. Those that have experienced deteriorating economic circumstances and reductions in L&D funding and headcount over the last 12 months are more likely to report they anticipate a decrease in funding over the next 12 months.⁷⁴

Figure 31: Average number of training hours an employee receives in a 12-month period (% of respondents who keep a record)



Base: 272

Figure 32: How do you expect the funding of learning and development to change in the next 12 months? (% of respondents)



Base: 541

Conclusions and insights

‘L&D needs to actively promote its value and develop its credibility.’

The uncertain economic environment of the past few years has had a significant impact on the resources available for learning and development in many organisations. This year we are starting to see signs of greater L&D investment in parts of the private sector, but pressure on resources remains an issue for many and workloads are high. This squeeze on resources, combined with an increasing shortage of key skills, means the need for effective, targeted L&D will continue to grow. Our findings point to several positive trends and identify some of the challenges L&D professionals face as they move forward.

Increasingly aligned with the business – but still a way to go

We are seeing an ongoing recognition of the importance of greater alignment with the business, and our findings point to the benefits this has in a number of areas – for example, increased clarity of purpose, how effectively people management practices support leadership development, and ability to quantify L&D’s impact on productivity. This also reflects the findings of our recent publication *L&D: Evolving roles, enhancing skills*.

Yet, while L&D professionals report business alignment, and define L&D as contributing to organisational success, there are indicators that others do not always appreciate its real or potential value, with implications for resource allocation and effectiveness. Indeed, the fact that integrating learning with

the business strategy is still the number one anticipated change indicates that many recognise there are still challenges.

Collaboration with managers and business leaders is essential in order to understand organisational needs, facilitate the effective transfer of learning and ensure that learning is driving business results. It is encouraging that this attribute, alongside business and commercial awareness, is seen to be critical to success by the L&D community. But we need to do more. L&D needs to actively promote its value and develop its credibility, by speaking the language of the business and outlining how L&D contributes to business goals and undertaking evaluation in line with these wider organisation aims. Organisations that encourage the development of L&D capability are more likely to report business alignment. It seems, therefore, that we need to start with building our own skills first.

Closing the loop with evaluations

There are signs that L&D professionals are increasingly focusing on evaluating their initiatives. Whether this is a consequence of greater attention to costs and justifying expenditure, simply increased awareness of analytics, or the need to demonstrate business alignment, it is clearly a positive development. At least it would be if the data collected is of good quality, relevant and used to inform future initiatives. In practice, this doesn’t always happen. Many organisations continue to face challenges in

conducting effective evaluations and very few evaluate the wider impact on the business or society.

A key barrier is considered to be other business priorities – this is something we need to challenge. As workloads increase, L&D teams will continue to be subject to competing pressures, but we need to be sure we're focusing on the right activities, that we're not working harder, but smarter, and truly understanding whether development initiatives are driving business outcomes. To do this we need to be aware of our own skill gaps and put more investment into our own analytical capability. This is something that both HR and L&D professionals need to address and should not be taken for granted, given that over a fifth of L&D professionals report that their organisation encourages the development of L&D capability to little or no extent.

Meeting the evolving needs of the business

We've also seen that L&D professionals need to demonstrate versatility. It's increasingly important for L&D to diagnose issues and provide bespoke solutions to meet the specific needs of the business. This is reflected in the growing trend for internal methods of delivery, which can be more easily tailored to specific needs, and a shift towards devolving responsibility for L&D to line managers and learners themselves. In order to be efficient and agile, L&D also needs to find ways to facilitate the sharing and flow of knowledge throughout the organisation. A sizeable minority anticipate growth in methods such as internal knowledge-sharing events, action learning sets and collaborative and social learning, perhaps indicating a growing focus on efforts to foster a continuous learning culture. It's also clear that responsibility for L&D extends

beyond the organisation, meaning the L&D professionals must interpret the needs of volunteers, clients and contractors, alongside employees.

Build confidence in harnessing technologies

Face-to-face delivery methods will continue to play an important role in L&D, but the use of a range of technologies is expected to increase, particularly in larger organisations. Clearly technological interventions need to be appropriate for the context, content and learner, but they can play a critical role in enabling flexible learning when and where learners want it, and help advance a learning culture through facilitating knowledge-sharing and social learning.

Currently many are held back by a lack of confidence, knowledge and insight around how to harness technological tools to improve their L&D interventions. L&D needs to build skills and expertise in this area to profit from new innovations that meet business requirements and the demands of learners.

Moving forward

The L&D profession faces a stimulating and challenging future in meeting organisational and learner requirements in fast-paced and busy environments. L&D teams need to continue to work collaboratively across the organisation to ensure that current and future business needs are met and that L&D is agile, effective and timely. Technological developments and emerging insights from other disciplines have great potential to aid this process – but only if the capability to exploit these tools and techniques is developed concurrently. We therefore need to keep an eye on the future, to understand the evolving learning landscape, while continuing to build the professional competences we need today to drive and sustain organisational success.

'...we need to be sure we're focusing on the right activities, that we're not working harder, but smarter...'

Views from the profession

This year we conducted four interviews with HR and L&D professionals to reflect on the survey findings.⁷⁵ The interviewees raise a number of points for other practitioners to consider:

- Getting senior sponsors and line managers to think differently about the purpose of L&D is critical in ensuring there is clear business alignment – but L&D also needs to speak the language of the business and demonstrate commerciality.
- The application of learning to business objectives is still a big gap – the challenge is that we continue to invest in learning initiatives without always knowing how they connect back to people's everyday roles.
- ROI can be difficult to establish, but return on expectation (ROE) is essential and can be very simple to evaluate by setting clear goals and putting in place robust follow-up assessment.
- Workloads are increasing across the board, meaning that it's more important than ever to prioritise L&D initiatives on the basis of business need and curate, rather than create, resources where we can.
- In moving to a 70:20:10 model we need to utilise blended methods and a range of delivery channels, including learning technologies such as virtual classrooms and webinars.
- Systems are getting increasingly smart, and learning analytics are expected to play an even greater role in future – L&D must be prepared for this change and embrace new tools and techniques.
- We need to have an eye on the future and consider what new generations in the workforce expect from L&D and their careers – typically learning which is accessible anywhere, anytime through a variety of channels.
- Networking can be one of the best ways of developing L&D capability – there is great value in building connections with those who can both share insight and challenge your thinking.

Background to the survey

This is the seventeenth annual CIPD *Learning and Development* survey. It examines current practices and trends within learning and development (L&D). The survey consists of 35 questions completed through an online self-completion questionnaire.

Some questions are asked each year or bi-annually to provide useful benchmarking data on topics including current and future trends in learning and development, leadership development, talent management and the impact of the economy on L&D resources and training spend. Some topic areas have been amended or added to reflect current and developing areas of the field. Additional questions this year explore the role and purpose of L&D in organisations, its alignment with business needs, how impact is assessed, how organisations support the development of L&D capability and L&D's confidence in using learning technologies.

The survey was sent out to learning and development specialists in the UK in January 2015. In total, 541 people responded to the survey.

Sample profile

Respondents work for organisations of all sizes (Table 2). As in previous years, nearly half work in the private services sector, a quarter in the public sector and the rest are evenly split between manufacturing and production and non-profit organisations (Table 3).

Just under two-fifths of respondents (38%) work for organisations that have offices in more than one country (similar to previous years). The majority (85%) are referring to the UK in their responses to the survey (2014: 72%; 2013: 94%; 2012: 92%), 7% are referring to other parts of Europe, 4% to the Middle East, and smaller proportions to Africa (1%), Asia (2%), North America (1%) and Australia and Oceania (1%).

Four-fifths (79%) had their organisation headquarters in the UK (2014: 67%; 2013: 88%; 2012: 86%). Nine per cent had headquarters in other European countries, 6% in North America, 3% in the Middle East and smaller proportions in other parts of the world.

The survey was targeted at people in HR/learning and development or in senior roles as the questions require specific knowledge on learning and development practices and policy. Over three-quarters (79%) report they are responsible for, or involved in, determining the learning and development needs of their organisation. Table 4 confirms that the vast majority of respondents work in HR, talent management or learning and development, while 6% are non-L&D or HR senior managers, directors or CEOs.

Table 2: Profile of respondents, by size of organisation (%)

| Number of employees | 2015 | 2014 | 2013 | 2012 |
|---------------------|------|------|------|------|
| Fewer than 10 | 12 | 14 | 6 | 7 |
| 10-49 | 9 | 10 | 8 | 6 |
| 50-249 | 18 | 20 | 23 | 19 |
| 250-999 | 18 | 17 | 22 | 21 |
| 1,000-4,999 | 22 | 15 | 19 | 22 |
| 5,000-19,999 | 11 | 12 | 22 | 24 |
| More than 20,000 | 10 | 12 | | |

Base: 541 (2015); 1,077 (2014); 1,000 (2013); 764 (2012)

Table 3: Distribution of responses, by sector (%)

| | Number of respondents | % |
|---|-----------------------|-----------|
| Manufacturing and production | 70 | 13 |
| Agriculture and forestry | 1 | 1 |
| Chemicals | 8 | 11 |
| Construction | 8 | 11 |
| Electricity, gas and water | 2 | 3 |
| Engineering, electronics and metals | 15 | 21 |
| Food, drink and tobacco | 4 | 6 |
| General manufacturing | 3 | 4 |
| Mining and quarrying | 3 | 4 |
| Paper and printing | 1 | 1 |
| Textiles | 1 | 1 |
| Other manufacturing/production | 24 | 34 |
| Private services | 261 | 48 |
| Professional services (accountancy, advertising, consultancy, legal, etc) | 93 | 36 |
| Finance, insurance and real estate | 37 | 14 |
| Hotels, catering and leisure | 15 | 6 |
| IT services | 10 | 4 |
| Call centres | 3 | 1 |
| Media (broadcasting and publishing, etc) | 6 | 2 |
| Retail and wholesale | 14 | 5 |
| Transport, distribution and storage | 16 | 6 |
| Communications | 4 | 2 |
| Other private services | 63 | 24 |
| Public sector | 136 | 25 |
| Central government | 25 | 18 |
| Education | 38 | 28 |
| Health | 18 | 13 |
| Local government | 27 | 20 |
| Other public services | 28 | 21 |
| Voluntary, community and not-for-profit sector | 74 | 14 |
| Care services | 18 | 24 |
| Charity services | 16 | 22 |
| Housing association | 14 | 19 |
| Other voluntary | 26 | 35 |

Base: 541

Table 4: Position in organisation (%)

| Position | |
|--|----|
| Head of learning and development | 11 |
| Learning and development manager | 21 |
| HR director | 7 |
| HR manager/business partner | 18 |
| Organisational development manager/adviser | 6 |
| External consultant | 7 |
| Other: talent, training, learning or development | 10 |
| Other: HR | 8 |
| Non-L&D or HR: senior manager/director/CEO | 6 |
| Non-L&D or HR: line manager | 2 |
| Other: non-HR | 4 |

Base: 541

Endnotes

- 1 $\rho = 0.71$, $p < 0.001$, $n = 426$. It is not significantly different across sectors once organisation size differences are taken into account.
- 2 $\chi^2 = 92.3$, $df = 3$, $p < 0.001$, $n = 470$.
- 3 2% don't know. They are excluded from Figure 2 to improve comparability.
- 4 Fisher's Exact test = 27.4, Monte Carlo Sig. (2-sided) < 0.01 (based on 10,000 sampled tables), $n = 528$ ('don't know' responses were removed from the sector comparison to improve comparability).
- 5 Fisher's Exact test = 24.3, Monte Carlo Sig. (2-sided) < 0.01 (based on 10,000 sampled tables), $n = 463$ ('don't know' responses removed to improve comparability).
- 6 $\rho = 0.13$, $p < 0.01$, $n = 431$.
- 7 Size and external conferences, workshops and events: $\rho = -0.18$, $p < 0.001$, $n = 482$; size and use of in-house development programmes: $\rho = -0.20$, $p < 0.001$, $n = 482$; size and coaching by external practitioners: $\rho = -0.14$, $p < 0.01$, $n = 482$.
- 8 E-learning: $\rho = 0.24$, $p < 0.001$, $n = 482$; blended learning: $\rho = 0.10$, $p < 0.05$, $n = 482$.
- 9 Blended learning: $\chi^2 = 28.8$, $df = 10$, $p < 0.001$, $n = 529$; mobile device-based learning: $\chi^2 = 30.6$, $df = 10$, $p < 0.01$, $n = 529$; gamified learning: $\chi^2 = 26.1$, $df = 10$, $p < 0.01$, $n = 529$; virtual classrooms and webinars: $\chi^2 = 19.8$, $df = 10$, $p < 0.05$, $n = 529$.
- 10 Mobile device-based learning: $\chi^2 = 17.9$, $df = 6$, $p < 0.01$, $n = 529$; virtual classrooms and webinars: $\chi^2 = 12.7$, $df = 6$, $p < 0.05$, $n = 529$.
- 11 User-generated content: $\chi^2 = 19.1$, $df = 6$, $p < 0.01$, $n = 529$; collaborative and social learning: $\chi^2 = 24.0$, $df = 6$, $p < 0.01$, $n = 529$.
- 12 Coaching by external practitioners: $\rho = -0.14$, $p < 0.01$, $n = 482$.
- 13 Use of coaching/mentoring and size of organisation: Kendall's tau-c = -0.12 , $p < 0.01$, $n = 530$.
- 14 Nineteen per cent of those with fewer than ten employees had no plans to offer coaching or mentoring in the next 12 months compared with 17% of those with 10–49 employees, 11% of those with 50–249 employees and 6% of those with 250+ employees.
- 15 $\rho = 0.13$, $p = 0.01$, $n = 525$.
- 16 $\rho = -0.11$, $p = 0.01$, $n = 523$.
- 17 Eta = 0.24 $n = 513$.
- 18 Size of the L&D team and use of blended learning techniques now: $\rho = 0.14$, $p = 0.05$, $n = 273$; Size of the L&D team and use of blended learning techniques in one year's time: $\rho = 0.18$, $p = 0.001$, $n = 249$; how confident do you feel in your ability to harness technology to increase the effectiveness of your L&D interventions and use of blended learning techniques now: $\rho = 0.14$, $p = 0.001$, $n = 345$; how confident do you feel in your ability to harness technology to increase the effectiveness of your L&D interventions and use of blended learning techniques in one year's time: $\rho = 0.11$, $p = 0.05$, $n = 317$.
- 19 $\chi^2 = 13.0$, $df = 3$, $p < 0.01$, $n = 517$.
- 20 $\chi^2 = 12.9$, $df = 6$, $p < 0.05$, $n = 541$.
- 21 $\rho = 0.20$, $p = 0.001$, $n = 535$.
- 22 $\chi^2 = 16.5$, $df = 6$, $p < 0.05$, $n = 470$.
- 23 Eta = 0.26, $n = 485$ ('don't know' responses were moved for comparability).
- 24 Eta = 0.13, $n = 467$ ('don't know' responses were moved for comparability).
- 25 Changing/enhancing the organisational culture: manufacturing and production 33%, private services 40%, public sector 53%, non-profits 59%, $\chi^2 = 12.5$, $df = 3$, $p < 0.01$, $n = 425$; developing international/cross-cultural leaders: manufacturing and production 12%, private services 7%, public sector 3%, non-profits 0%, $\chi^2 = 10.4$, $df = 3$, $p < 0.05$, $n = 425$.
- 26 $\chi^2 = 30.9$, $df = 9$, $p < 0.001$, $n = 513$.
- 27 Role clarity: $\rho = -0.11$, $p < 0.05$, $n = 520$; organisational design: $\rho = 0.13$, $p < 0.01$, $n = 513$; employee relations: $\rho = -0.10$, $p < 0.05$, $n = 515$; senior leadership: $\rho = -0.13$, $p < 0.01$, $n = 514$.
- 28 Recruitment practices: $\rho = 0.23$, $p = 0.001$, $n = 492$; performance management: $\rho = 0.28$, $p = 0.001$, $n = 510$; reward and recognition: $\rho = 0.26$, $p = 0.001$, $n = 506$; clarity of role: $\rho = 0.32$, $p = 0.001$, $n = 512$; clarity of strategy and vision: $\rho = 0.37$, $p = 0.001$, $n = 503$; organisational design: $\rho = 0.34$, $p = 0.001$, $n = 504$; employee relations: $\rho = 0.29$, $p = 0.001$, $n = 507$; senior leadership: $\rho = 0.29$, $p = 0.001$, $n = 507$.
- 29 Eta = 0.22, $n = 500$.
- 30 $\chi^2 = 12.1$, $df = 3$, $p < 0.01$, $n = 500$.
- 31 Eta = 0.22, $n = 493$.
- 32 $\chi^2 = 22.7$, $df = 5$, $p < 0.001$, $n = 287$.
- 33 The three most used talent management activities is a new question this year. Previous years have focused on most effective talent management activities and show little change.
- 34 Use of high-potential in-house development schemes and size: eta = 0.25, $n = 276$; effectiveness of high-potential in-house development schemes and size: eta = 0.21, $n = 246$; use of developing communities of practice and size: eta = 0.23, $n = 276$ (no sig relationship with effectiveness); use of learning technologies to bring talented groups together and size: eta = 0.17, $n = 506$; Courses at external institutions and size: eta = 0.19, $n = 276$ (no sig relationship with effectiveness).

- 35 Forty-seven per cent of those who have fairly or very effective talent management use high-potential in-house development schemes compared with 28% who have fairly or very ineffective talent management: $p = 0.14$, $p < 0.05$, $n = 256$; 17% of those who have fairly or very effective talent management use courses at external institutions compared with 34% who have fairly or very ineffective talent management: $p = -0.15$, $p < 0.05$, $n = 256$.
- 36 $\chi^2 = 23.2$, $df = 8$, $p < 0.01$, $n = 266$.
- 37 $p = 0.28$, $p < 0.001$, $n = 264$.
- 38 $p = 0.33$, $p = 0.001$, $n = 462$.
- 39 This is the case across all sectors, although it is less common in the public sector (52% include it in their top three compared with 70–71% of respondents from other sectors): $\chi^2 = 14.1$, $df = 3$, $p < 0.01$, $n = 469$.
- 40 Social/behavioural neuroscience and role: $\chi^2 = 18.7$, $df = 2$, $p < 0.001$, $n = 469$; Cognitive psychology and role: $\chi^2 = 18.5$, $df = 2$, $p < 0.001$, $n = 470$; Behavioural economics and role: $\chi^2 = 12.1$, $df = 2$, $p < 0.01$, $n = 471$.
- 41 Social/behavioural neuroscience and support for development: $\eta = 0.21$, $n = 463$; Cognitive psychology and support for development: $\eta = 0.15$, $n = 464$; Behavioural economics and support for development: $\eta = 0.13$, $n = 465$.
- 42 $\chi^2 = 16.1$, $df = 3$, $p < 0.01$, $n = 541$.
- 43 $\chi^2 = 18.7$, $df = 3$, $p < 0.001$, $n = 470$.
- 44 Sixty per cent of those who are not at all aligned do not conduct evaluations of the majority of their L&D initiatives, compared with 22% of those who are somewhat aligned, 7% of those who are broadly aligned and 2% of those who are extremely aligned. Alignment of L&D and business strategy and how in depth most evaluations are: $p = 0.40$, $p = 0.001$, $n = 528$; 41% of those in organisations that do not support the development of L&D capability do not conduct evaluations of the majority of their L&D initiatives, compared with 23% of those who encourage development to a little extent, 13% of those who encourage it to some extent and 4% of those who encourage it to a great extent. Development of L&D capability and how in depth most evaluations are: $p = 0.33$, $p = 0.001$, $n = 535$. Alignment and development of L&D capability are related but the relationships with evaluations exist independently.
- 45 Forty-eight per cent of private services organisations always or frequently used business metrics to evaluate L&D interventions compared with 24% of manufacturing and production organisations, 18% of the public sector and 12% of non-profits: $\chi^2 = 57.4$, $df = 9$, $p < 0.001$, $n = 423$.
- 46 How in depth evaluations generally are and use general HR metrics: $p = 0.14$, $p = 0.01$, $n = 427$; use business metrics: $p = 0.30$, $p = 0.001$, $n = 423$; use a measure such as return on investment: $p = 0.30$, $p = 0.001$, $n = 423$; use a set of standard internal measures: $p = 0.32$, $p = 0.001$, $n = 433$; use a set of standard external measures: $p = 0.23$, $p = 0.001$, $n = 419$; use strategic measures: $p = 0.36$, $p = 0.001$, $n = 420$; learner reflection and feedback: $p = 0.19$, $p = 0.001$, $n = 454$; manager reflection and feedback: $p = 0.29$, $p = 0.001$, $n = 448$; stakeholder reflection and feedback: $p = 0.23$, $p = 0.001$, $n = 437$.
- 47 Across all sectors.
- 48 Alignment of L&D with business strategy and use of general HR metrics: $p = 0.14$, $p = 0.01$, $n = 425$; use business metrics: $p = 0.26$, $p = 0.001$, $n = 420$; use a measure such as return on investment: $p = 0.18$, $p = 0.001$, $n = 420$; use a set of standard internal measures: $p = 0.24$, $p = 0.001$, $n = 431$; use a set of standard external measures: $p = 0.25$, $p = 0.001$, $n = 417$; use strategic measures: $p = 0.35$, $p = 0.001$, $n = 418$; learner reflection and feedback: $p = 0.17$, $p = 0.001$, $n = 450$; manager reflection and feedback: $p = 0.23$, $p = 0.001$, $n = 445$; stakeholder reflection and feedback: $p = 0.22$, $p = 0.001$, $n = 434$. Extent to which organisation actively encourages and enables development of L&D capability and: use a measure such as return on investment: $p = 0.15$, $p = 0.01$, $n = 423$; use a set of standard internal measures: $p = 0.17$, $p = 0.001$, $n = 433$; use a set of standard external measures: $p = 0.18$, $p = 0.001$, $n = 419$; use strategic measures: $p = 0.19$, $p = 0.001$, $n = 420$; learner reflection and feedback: $p = 0.25$, $p = 0.001$, $n = 451$; manager reflection and feedback: $p = 0.18$, $p = 0.001$, $n = 446$; stakeholder reflection and feedback: $p = 0.18$, $p = 0.001$, $n = 435$.
- 49 One in six respondents (mostly those in more junior, non-HR/L&D roles) didn't know. They are excluded from this analysis.
- 50 $\chi^2 = 10.0$, $df = 3$, $p < 0.05$, $n = 457$.
- 51 Extremely aligned: 44% quantify impact; broadly aligned: 30%; somewhat aligned: 20%; not at all aligned: 7%; $\eta = 0.23$, $n = 452$.
- 52 $\chi^2 = 16.9$, $df = 6$, $p < 0.05$
- 53 Size and produce a report or summary of the findings but rarely act on the data: $p = 0.24$, $p < 0.001$, $n = 414$; size and the metrics we gather and our evaluation intelligence is not used: $p = 0.14$, $p < 0.01$, $n = 401$.
- 54 We update the L&D intervention with the findings from the evaluation: $p = 0.20$, $p < 0.001$, $n = 433$; We share the results of our evaluations internally with the business beyond L&D/HR: $p = 0.19$, $p < 0.001$, $n = 431$; We share the results of our evaluations internally with business leaders, specifically to inform business strategy and organisational development: $p = 0.15$, $p < 0.001$, $n = 428$; We share the results of our evaluations externally with our peers (for example at events or in benchmarking studies): $p = 0.22$, $p < 0.001$, $n = 419$; We use data to forecast future L&D needs: $p = 0.19$, $p < 0.001$, $n = 423$; We use data to review the L&D delivery method or blend: $p = 0.15$, $p < 0.01$, $n = 429$; We use data to review the learning needs of the L&D team: $p = 0.22$, $p < 0.001$, $n = 419$; the metrics we gather and our evaluation intelligence is not used: $p = -0.13$, $p < 0.05$, $n = 400$.
- 55 Seventeen per cent of organisations with 1–49 employees report IT systems are a barrier to evaluating L&D initiatives compared with 27% of those with 50–249 employees, 39% of organisations with 250–999 employees and 47% of those with more than 1,000 employees: $\eta = 0.30$, $n = 534$.
- 56 $\chi^2 = 17.1$, $df = 3$, $p < 0.01$, $n = 534$.
- 57 This is the case even when the relationship with alignment is taken into account.

- 58 Share the results of evaluations internally with business leaders: $\rho = -0.14$, $p < 0.01$, $n = 429$; we produce a report or summary of the findings but rarely act on the data: $\rho = 0.16$, $p < 0.01$, $n = 414$; the metrics we gather and our evaluation intelligence is not used: $\rho = 0.17$, $p < 0.001$, $n = 401$.
- 59 Use data to review the L&D delivery method or blend and other strategic imperatives are a barrier: $\rho = -0.10$, $p < 0.05$, $n = 429$; Use data to forecast future L&D needs and other business priorities are a barrier: $\rho = -0.11$, $p < 0.05$, $n = 424$; Use data to forecast future L&D needs and other L&D/HR priorities are a barrier: $\rho = -0.10$, $p < 0.05$, $n = 424$.
- 60 Economic situation and L&D budget: $\rho = 0.55$, $p < 0.001$, $n = 431$; economic situation and L&D headcount: $\rho = 0.35$, $p < 0.001$, $n = 463$; economic situation and use of external associates: $\rho = 0.37$, $p < 0.001$, $n = 428$.
- 61 Budget and size: $\rho = 0.24$, $p < 0.001$, $n = 466$; headcount and size: $\rho = 0.17$, $p < 0.001$, $n = 502$; use of external associates and size: $\rho = 0.17$, $p < 0.001$, $n = 460$.
- 62 $\chi^2 = 28.9$, $df = 2$, $p < 0.001$, $n = 479$.
- 63 $\rho = 0.27$, $p < 0.001$, $n = 446$.
- 64 $\rho = 0.15$, $p < 0.01$, $n = 479$.
- 65 $\chi^2 = 27.4$, $df = 2$, $p < 0.001$, $n = 496$.
- 66 Workload is more likely to have increased in organisations that have increased (85%) or decreased (87%) L&D budget than where budget has remained the same (58%). The findings are similar with regards to headcount and use of external associates: 84% of those who have increased headcount and 91% of those who decreased headcount report increases in workload compared with 61% where headcount has remained the same; 83% of those who had increased use of external associates report overall team workload had increased compared with 86% of those who report use of associates had decreased and 66% of those where their use had remained the same.
- 67 $\chi^2 = 69.6$, $df = 2$, $p < 0.001$, $n = 484$, $\eta = 0.38$.
- 68 Our previous surveys have found that organisations vary in the items they include in these budgets.
- 69 $\rho = -0.19$, $p < 0.01$, $n = 266$.
- 70 Size and compliance: $\rho = 0.20$, $p < 0.001$, $n = 298$; size and development for future roles: $\rho = -0.17$, $p < 0.001$, $n = 298$.
- 71 $\chi^2 = 9.5$ with continuity correction, $df = 1$, $p < 0.01$, $n = 541$.
- 72 Thirty-one per cent have an average of 41+ training hours per employee per annum compared with 24% of manufacturing and production organisations, 15% of the public sector and 11% of non-profits: $\chi^2 = 22.2$, $df = 12$, $p < 0.05$, $n = 292$.
- 73 $\rho = 0.27$, $p < 0.01$, $n = 172$.
- 74 Economic situation facing the organisation and changes in funding for next 12 months: $\rho = 0.56$, $p < 0.001$, $n = 456$; changes in budget for L&D over past 12 months and changes in funding for next 12 months: $\rho = 0.57$, $p < 0.001$, $n = 449$; changes in headcount for learning and development over past 12 months and changes in funding for next 12 months: $\rho = 0.38$, $p < 0.001$, $n = 473$.
- 75 Interviews were conducted in March and April 2015 with four HR and L&D professionals to gather additional views and reflections on the key survey findings.



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Issued: May 2015 Reference: 6942 © CIPD 2015