

2022 Workplace Learning & Development Trends

Research Report | 2022



Executive Summary

According to the U.S. Bureau of Labor Statistics, **more than 11 million jobs in the U.S.** are unfilled¹—roughly double the number of people who are unemployed. The Great Resignation has sent workers to new jobs, but also into education and the rapidly expanding gig economy, leaving skills and knowledge gaps in almost every American company.

Organizations are determined to fill the gaps with workforce-ready employees who have both the hard and soft skills needed to build 21st century careers. And workplace learning and development (L&D) is their primary tool.

To fully understand the current state of L&D in America's workplaces, the Society for Human Resource Management (SHRM) and TalentLMS surveyed U.S.-based HR managers and employees in early 2022 to learn what employees want and expect in the L&D space today, as well as what organizations are willing and able to provide.

L&D serves a dual purpose for organizations: to reskill and upskill current employees to fill business needs, and to recruit and retain talented workers who want to continuously learn. More than **8 in 10 HR managers** believe training is beneficial to attract **(83%)** and retain **(86%)** talent, and many employees **(48%)** agree that training opportunities were a factor in choosing their current company. More than three-quarters of employees (76%) say they are more likely to stay with a company that offers continuous training.

¹U.S. Bureau of Labor Statistics. https://www.bls.gov/news.release/pdf/jolts.pdf







Employee training satisfaction:



Employees who are **satisfied** with the training they receive from their employer.



Employees who are **dissatisfied** with the training their employers offer.

76%

Believe their training is relevant to their current work environment.

68% Think their training is sufficient for their role and career development.

55% Say they need additional training to perform better in their role.

To organizations' credit, a large majority of employees (75%) are satisfied with the training they receive from their employer, believing it is relevant to their current work environment (76%) and sufficient for their role and career development (68%). Just 11% of employees are dissatisfied with the L&D being offered. Interestingly, regardless of their satisfaction, 55% say they need additional training to perform better in their role.

When executing L&D, organizations must consider not only the topics covered, but also how frequently training is offered. Organizations are most likely to provide training once a month (36%) or once every three months (36%). However, just one-quarter of employees want monthly training; more prefer quarterly training (33%). And although just 5% of organizations offer ad hoc training as needs arise, more employees (12%) prefer it.

Employees' preferred learning methods is another important consideration for organizations. As remote and virtual learning expands, employees now have an array of "classrooms." Online/self-paced courses are most popular with employees (cited by **70%** of respondents), followed by online/instructor-led training **(63%)**, in-person learning with an instructor **(63%)** and hybrid educational offerings **(62%)**.



Common frustrations workers say they have with employer-provided training: 33% Organizations that say 25% 25% they lack access to the 24% 21% right training content. They quickly They lack Their Their They find it the time to training isn't training Organizations that say hard to stay forget they lack buy-in from motivated with the training complete the relevant to content is training. material. training. their role. out of date. leadership for L&D.

But even with preferred learning systems, employees cite common frustrations with their employer-provided training. **One-third** say it is hard to stay motivated with training at work, while **one-quarter** say after training is complete, they quickly start forgetting the material. Employees also say lack of time to complete the training at work (cited by **25%** of respondents), training that isn't relevant to their role (**24%**) and out-of-date training content (**21%**) are reasons for their frustration with employer-provided training.

Organizations face their own obstacles to delivering effective L&D—most commonly access to the right training content to fit their needs (cited by **35%** of HR managers). Additionally, more than one-quarter of HR managers **(26%)** say they lack buy-in from leadership for L&D.

Amid the Great Resignation, spending money to train employees who may be heading out the door can seem a risky investment, and inadequate training budgets are another common barrier to offering L&D opportunities (cited by **33%** of HR managers). Still, **more than two-thirds** (67%) of organizations expect their learning and development budget to increase in the next year, and **57%** say the budget has already increased since the pandemic began, suggesting that organizations are viewing L&D as an important potential business strategy in this competitive environment.







The bottom line is that organizations should understand and attempt to meet the training needs and desires of their workforce.

Just as organizations want to see a return on investment in their training programs, employees also want to be sure their time is well-spent. Many (38%) want training that is more relevant to their actual jobs. They also want to be sure what they are learning is current (32%) and for training to have a social element (e.g., peer learning, learning groups, etc.) (32%).

Importantly, many employees (31%) want more control over their training programs. They want access to training that makes the most sense for their career progression and interests, and they want to choose methods that match their learning style.

The bottom line is that **organizations should understand and attempt to meet the training needs and desires of their workforce** with respect to the content, timing and delivery of training. L&D initiatives should be aligned with both employees' personal goals and the organization's business goals.

Organizations can also build value into their L&D programs by regularly evaluating and testing the programs' effectiveness and promoting the value of continuous learning to both current and future employees. They may achieve this through such measures as creating a learning culture and finding innovative ways to keep employees motivated to continue to develop their skills and talents.

What employees want regarding training:

(See page 16 for full list of what employees want.)





Most common training employees receive at work

(Respondents could select all that apply)





Introduction and Purpose

At the time of this report, the U.S. Bureau of Labor Statistics is reporting more than **11 million** jobs in the U.S. are unfilled—**double the number of people who are unemployed.**¹ The Great Resignation has sent workers to new jobs, but also into education and the rapidly expanding gig economy of self-employment.

Now more than ever, organizations need to fill those gaps with workforce-ready employees who have the hard skills required to perform jobs in technology, manufacturing, data analysis and other 21st century careers. And they need workers with the soft skills required to communicate well, empathize with co-workers and lead their teams.

Organizational leaders facing skills gaps are hoping to upskill and reskill their own employees by providing workplace-based learning and development (L&D). But how effective is today's L&D in meeting this goal?

To understand the current landscape of employer-provided L&D, the Society for Human Resource Management (SHRM) partnered with TalentLMS—a learning management system backed by Epignosis—to survey HR managers and employees in the U.S. Results from this research can also be found at <u>www.talentlms.com/employee-learning-and-development-stats</u>.

¹U.S. Bureau of Labor Statistics. <u>https://www.bls.gov/news.release/pdf/jolts.pdf</u>







Companies who use or plan to use reskilling training:



Currently offer reskilling training.

Plan to offer it in the next 12 months.

The Essentials of Today's L&D

Employee training is almost ubiquitous in today's workplaces. Most employees (69%) say their organization emphasizes training and development, and even more HR managers (79%) agree.

Closing the skills gap is a major driver of L&D today. Of the **53%** of HR managers who say they face a skills gap within their company, just over half **(51%)** say training employees is their primary method of addressing the problem. It is by far the most common solution when compared with hiring new employees **(32%)** or leveraging independent contractors and freelancers **(17%)**.

Reskilling and upskilling are two of the methods organizations are using to address the skills gap. The primary distinction between upskilling and reskilling is that upskilling builds on existing skills, while reskilling adds new ones.

Upskilling tends to be linear: Training starts with an employee's existing skills and hones them—for example, when a programmer learns additional skills to take the next step to become a systems analyst. **More than one-third of organizations** (36%) say they already provide upskilling training, and **about 3 in 5** (59%) plan to offer it in the next 12 months.

Reskilling, on the other hand, involves learning or teaching new skills to qualify an employee for a different job in the same company or elsewhere. For example, when a job function is replaced by automation, employees in those roles must be reskilled to manage that technology or to move into a totally different role. **More than one-third of organizations** (37%) already provide reskilling training, and **about 3 in 5** (56%) plan to offer it in the next 12 months. The most common ways organizations reskill employees for new jobs are through:

- On-the-job training (65%).
- Coaching or mentoring (57%).
- Job shadowing (41%).



The most important training goals for organizations:

(Percentage of HR managers choosing "very important/somewhat important")



But training is not just about closing skills gaps. It is an employee engagement tool that strengthens company culture. **Over 4 in 5 organizations** (84%) agree that building a learning culture can enhance organizational resilience and build a better culture for employees.

When an organization invests in training, it communicates to employees that they are valued members of the team with unique and critical roles to play. **More than 8 in 10** HR managers said training is beneficial for employee attraction (83%) and retention (86%). And employees agree—just under half (48%) shared that training opportunities were one of the perks that attracted them to their current company, and **more than three-quarters** (76%) say they are more likely to stay with a company that offers continuous training.

It seems clear that a commitment to L&D produces a higher level of engagement and fosters a workforce of motivated, satisfied and productive employees who feel they are in the right place to reach their full potential.

To achieve these outcomes, organizations need to set L&D goals. According to HR managers, the most important training goals for organizations include reinforcing a positive employee experience (cited by 92% of respondents); building a diverse, equitable and inclusive workplace (88%); improving employee engagement (87%); and creating a growth mindset in their organization (87%).

These goals are key to creating workplaces where employees and the business can thrive—but only if training is working efficiently and effectively for both workers and the organization.



So is it? For the most part, organizations are delivering the training employees want and value, according to the research. **More than 3 in 4 employees** (76%) agree that their employer offers training that is relevant to the current work environment. **More than two-thirds** (68%) agree that their employer is meeting their expectations for sufficient training for their role and career development.

Still, **over half** (55%) of employees say they need additional training to perform better in their role, and **more than 1 in 10** (11%) are dissatisfied with the training they receive. So although the vast majority of employees (**75%**) claim to be satisfied with their organizations' L&D efforts overall, the type and volume of training they want isn't always what they receive.





Over half (55%) of employees say they **need additional training** to perform better in their role.



What Do Employees Want to Learn?

Almost all employees want to be trained in hard and soft skills. Hard skills refer to the jobrelated knowledge and abilities employees need to perform their job duties effectively. **Nearly 9 in 10 employees** (88%) say it is important to them to get workplace training on hard skills, and **nearly 4 in 5 organizations** (79%) say they are likely to focus on hard-skills training within the next 12 months.

Soft skills are those related to behavioral and interpersonal abilities, such as the ability to effectively communicate, problem-solve, lead, collaborate and organize. **More than 8 in 10 employees** (84%) say it is important to them to get training on soft skills, with leadership training the most desired (cited by **54%** of respondents). Just **7%** of employees say they don't need training in soft skills. More than **three-quarters of organizations** (76%) say they are likely to focus on soft-skills training within the next 12 months.

When we asked HR managers what soft-skills training their organizations offer, their answers aligned with what employees say they prefer. Both groups ranked leadership, communication/ collaboration and time management as being the soft-skills training that is most in demand.





In addition, most employees we surveyed are looking for other types of training they can use on or off the job, such as training in life skills and self-management. **Nearly 4 out of 5 employees** (78%) are interested in life-skills training. Life skills taught at work can include mental health and well-being, financial wellness, and social and cross-cultural skills. HR managers indicated that **just over 3 in 4 organizations** (77%) are likely to focus on training life skills within the next year.

More than 4 out of 5 employees (81%) are interested in self-management training. This could include sessions on goal setting, self-motivation, stress management and accountability. Among organizations, more than 4 in 5 (83%) are likely to focus on training that involves self-management skills within the next year, according to the HR managers surveyed.





How Often Is Too Often?

When executing L&D, organizations must consider not only the topics covered, but also how frequently the training is offered, seeking balance between organizational needs and employee preferences.

HR managers indicated that their organizations are most likely to provide employee training once every month (cited by **36%** of respondents) or once every three months **(36%).** Far fewer organizations deliver training once every six months **(16%)**, and just **5%** train employees once a year.

One-third of employees prefer to receive training once every three months, while **one-fourth** favor monthly training. And although just **5%** of organizations offer ad hoc training as needs arise, more employees (**12%**) prefer it.

However frequently training is offered, providing periodic, predictable L&D opportunities not only keeps employees' skills sharp in real time, but also **establishes a learning culture** where everyone understands that continuous education is an organizational value.





Frequency of training: what employees prefer vs. what organizations provide:



(Respondents could select only one answer)



How employees like to learn:

(Respondents could select all that apply)



What Does L&D Look Like in Action Today?

With the expansion of remote and virtual learning in recent years—accelerated by the global pandemic—employees now have an array of "classrooms" for training, with online/self-paced courses the most popular option (cited by **70%** of employees). That's followed by online/instructor-led training and inperson classroom learning, both at **63%**.

Almost as many employees (62%) desire a hybrid learning method—which includes both online and face-to-face components—and 59% desire an offline/self-paced format.

Along with the many types of "classrooms," employees have many options for how the content is taught.

Nearly 2 in 3 employees (64%) prefer a simulation learning format, with a little over half **(51%)** preferring a coaching/mentoring style.

Offering the right type of learning methods suited to your employees' learning styles and preferences is among the most important decisions you will make in your L&D strategy. Ensure that your investment pays off by structuring training based on what your employees find useful and effective.

Where employees like to learn:

(Percentage of employees choosing "very desirable/somewhat desirable")





What Are Common Barriers to Effective L&D?

For such an important investment, it's vital that L&D programs do what they are intended to do: improve employees' skills for the short and long term. But there are many points of failure cited by employees.

One-third of employees say it is hard to stay motivated with training at work. This is easy to understand since the work stacked right in front of them will seem more urgent and take precedence over training. Training can be seen as a time thief.

Employees also say after training is complete, they quickly start forgetting the material (cited by **25%** of respondents). Other points of failure cited by employees include not having enough time to complete the training at work **(25%)**, finding the training isn't relevant to their role **(24%)** and finding the training content is out of date **(21%)**.

Organizations experience their own obstacles to delivering effective L&D, the most common of which is access to the right training content to fit their needs (cited by **35%** of HR managers).

Other barriers identified by HR managers include:

- Lack of time (33%).
- Difficulty keeping content up-to-date amid workplace change (32%).
- Inadequate training tools (28%).
- Lack of leadership buy-in (26%).
- Lack of employee buy-in (25%).
- Low knowledge retention rate of employees (24%).
- Inability to measure return on investment (11%).

Another barrier organizations contend with is the lack of an L&D budget; this was cited by **1 in 3** HR managers surveyed. This begs the question: How much do organizations need to budget for L&D?





How Much Does Training Cost Companies?

With the Great Resignation pushing employee turnover into record-setting territory, spending money to train employees who may be heading out the door can seem a risky investment, and inadequate training budgets are a common barrier. However, this study shows that both organizations and employees see L&D as an effective retention strategy that's worth the investment.

The good news is that **more than two-thirds** of organizations (67%) expect their L&D budget to increase in the next year, and **more than half** (57%) say their budget has already increased since the pandemic outbreak. And although **61%** say they are satisfied with their current budget, even more would like more money to provide their employees with access to online courses (66%) or mental health and well-being training (72%).

Organizational leadership is frequently a barrier to expanding learning and development, according to HR managers: **54%** said leadership often sees L&D as a cost and not as an investment, and **52%** report facing resistance when asking for budget approval.

L&D Expenditure per Employee:







Many employees pursue training outside of work:



More than half of employees are pursuing training outside of work.



Nearly one-fourth do so because their workplace training is insufficient.



Going Their Own Way

Organizations may be surprised to learn that **more than half of their employees** (57%) are pursuing learning opportunities outside of the workplace. And it's not always because they find workplace training to be insufficient—in fact, just **22%** of employees cited this as a reason why. The reasons for seeking learning opportunities outside of the workplace are many, and organizations that want to create more-engaging learning and development at work should understand them.

Here's what employees pursuing learning opportunities on their own said:

- They enjoy learning new things and developing skills (57%).
- They want to enhance their opportunities for career development (54%).
- They want to stay competitive in the job market (44%).
- They want to learn a new in-demand skill (37%).
- They want to acquire certifications (36%).
- They are looking to make a career change (27%).
- They want to learn skills other than those required for work (24%).

Interestingly, **24%** of employees who said they are dissatisfied with the training their organization provides indicated that they are getting outside training because they are looking for a career change; only **15%** of employees who are satisfied with their organization's training said the same.

Organizations may want to consider offering in their benefits packages an annual personal learning stipend for employees to use as they like. Few organizations do this currently; however, a benefit like this helps cultivate a development mindset among employees and encourages learning outside of work, further supporting a learning culture. Providing employees with the opportunity for personal development also signals that the organization values the employee as an individual.



How Can Organizations Make Training More Effective?

Just as organizations want to see a return on investment in their training programs, employees also want to be sure their time is well-spent. And they have some suggestions.

Many (38%) want training that is more relevant to their actual jobs. Today's employees want to grow and develop, and providing training that enhances employee performance can increase engagement and improve productivity.

Nearly 1 in 3 employees (32%) want to be sure what they are learning is current. The fast pace of technological innovation can quickly make training programs obsolete, so ensuring the material is up-to-date should be a high priority for HR managers.

The same number (32%) like training to have a social element, so this could be one of the ways to make training more effective for those who want to interact with others.

Importantly, many employees (31%) want more control over their training programs. Let employees choose what type of training they want to engage in, including the type of training that makes the most sense for their career progression and interests. Also, let them choose how to receive the training, whether that is through online, in-person, hybrid or self-paced instruction, or through some other method or format. Employees should be able to choose a training method that matches their learning style.

How **employees say organizations** can make L&D more effective

(Respondents could select all that apply)









What Else Can Organizations Do to Enhance L&D?

Create a learning culture. In a learning culture, employees actively learn, encourage others to learn and share what is learned. Leadership should also be at the forefront of learning and make it a priority. One approach may be to provide insight into new trainings or skills that organizational leaders themselves are actively pursuing and how they carve out time for learning in their busy schedules.

Organizations can also cultivate **"learning ambassadors"** by enabling employees to connect with other team members who are pursuing similar training or certifications to build mentoring relationships. Ensure that learning achievements are celebrated by the organization and that employees are recognized and rewarded.

Align training with organizational goals. Ensure from the beginning that employees have the knowledge and skills necessary to be successful in their position and to support the bottom line—whether in customer service, productivity, legal compliance or other areas.

Invest in training that is **relevant to the jobs and roles** employees perform. But don't neglect soft skills and other types of development that employees can apply more broadly to their careers and lives.

Ensure that your L&D is **meeting employees' needs.** Understand what your teams enjoy and expect in their training programs, including subject matter, format and frequency. Consider regularly surveying employees and allowing them to have more control over what is offered.

Promote the value of your L&D programs. Highlight your L&D vision, strategy and offerings to prospective and current employees, backed by evidence-based data to show how employees' time and effort devoted to L&D leads to positive outcomes for them and for the organization.



Keep trainees motivated. Consider approaches that inspire employees to pursue training, including by connecting personal goals with organizational goals, making courses practical and relevant to their jobs and daily tasks, using technology to make lessons engaging and accessible, and even incentivizing learning by rewarding participants—for example, with digital badging.

Ensure that your L&D strategy motivates employees **to retain the knowledge gained.** Actions could include:

- Setting learning goals and tracking progress.
- Allowing employees to apply what they've learned—for example, by **being intentional** about the timing of the training or learning activity. If you are training managers on performance appraisals, consider offering this training just before review time so they can apply what they learn.
- Providing **resources** for employees to reference continuously.
- Considering refresher courses. Organizations could create an open knowledge base where employees can quickly access information related to corporate-wide trainings or skills building, such as customer services and internal processes.

Evaluate and test your L&D. The four levels of training evaluation are:

- Assessing reactions: Are employees **satisfied** with the training?
- Testing for learning: Did they actually acquire new skills?
- Behavior change: Are they **applying** what they learned in the workplace?
- Return on investment: How have retention, productivity, performance or other metrics changed as a result of the training?

Organizations should consider developing and benchmarking key indicators to identify changes in employee behavior and perceptions around L&D. Organizations may also want to include learning achievements in employee performance evaluations to capture more metrics.







Conclusion

The bottom line is that organizations should **understand and attempt to meet the training needs** and desires of their workforce, putting employees in the driver's seat. Then HR leaders can align the L&D features their employees prefer with the needs of the business.

Enhance success by fostering a **learning culture**, addressing both employees' personal goals and the organization's business goals, and finding innovative ways to motivate employees to continue the learning journey.

Organizations can also build value into their L&D programs by regularly **evaluating and testing** the programs' effectiveness and promoting the value of continuous learning to both current and future employees. In this way, L&D can magnetize your organization to attract and retain the talent you need.







Methodology

U.S. Employees

A sample of 1,001 U.S. workers who received training from their employer in the last 12 months was surveyed online from January 29 to February 20, 2022.

HR Managers

A sample of 356 U.S.-based HR managers who oversee or are involved in the L&D initiative at their organization was surveyed from January 29 to February 20, 2022.

About SHRM

SHRM, the Society for Human Resource Management, creates better workplaces where employers and employees thrive together. As the voice of all things work, workers and the workplace, SHRM is the foremost expert, convener and thought leader on issues impacting today's evolving workplaces. With 300,000+ HR and business executive members in 165 countries, SHRM impacts the lives of more than 115 million workers and families globally. Learn more at <u>shrm.org</u> and on Twitter @SHRM.

About TalentLMS

TalentLMS is the LMS (Learning Management System) built for training success. Designed to get a "yes" from everyone, it's where great teams, and companies, go to grow. With an experience that's fully customizable, easy to manage and a joy to use, teams embrace training while feeling right at home.

