

Why learning is the future of work



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Executive Summary

Post-COVID-19, the world is facing deep, seismic change. Our societies are in upheaval, our structures are evolving and our work is facing radical transformation.

With this comes an urgent need for businesses to upskill their people to meet future challenges. We know that the skills needed to succeed at work are evolving fast and will only continue to do so ever-more rapidly.

At the heart of meeting this challenge is learning. Without effective learning and development programmes, modern training methods and a culture that puts learning front and centre, reskilling and upskilling initiatives cannot succeed.

That's why this whitepaper examines the future of learning. We've spoken to academics and experts, industry professionals and heads of business on issues ranging from how successful organisations build learning cultures to the skills we'll need in the future. We've distilled key takeaways to transform your business.

An evolving world

The Organisation for Economic Co-operation and Development (OECD) warns that more than 1 billion workers will need reskilling by 2030. But with businesses reeling from the Great Resignation, deepening talent shortages and digitisation, many have ramped up recruitment and put reskilling on the back burner.

“
The key to succeeding in an era of radical transformation is learning”

This is a mistake. Forecasts show that skills gaps are widening rather than closing. So, the question of upskilling employees is one of when, rather than if.

Even the biggest businesses are waking up to this fact. In his annual address to CEOs, BlackRock CEO Larry Fink explained how “the pandemic has turbocharged an evolution in the operating environment for virtually every company”.

“CEOs need to be asking themselves whether they are creating an environment that helps them compete for talent,” he added.

“**Savvy organisations are moving away from extrinsic to intrinsic motivators**”

Learning is the answer

The secret to thriving in an era of radical transformation is ongoing learning. As the professional landscape evolves, employees are beginning to understand that success relies upon their ability to develop new skills and abilities continuously.

But business has been failing. Just 9% of UK employees feel enthused by their jobs, with retention and productivity at record lows. Yet employees are crying out for the chance to build new skills, with 94% saying they would stay at a company longer if it invested in their development, according to LinkedIn.

That’s why savvy organisations are now moving away from extrinsic motivators such as salary and bonuses to intrinsic ones such as growth, autonomy and purpose when it comes to employee engagement.

Take the example of banking giant JPMorgan Chase. It invested \$350m in skills development back in 2019, building a corps of 50,000 technologists in its employee base – a fifth of its total workforce.

“The new world of work is about skills, not necessarily qualifications,” proclaimed CEO Jamie Dimon.

By taking control of learning and skills development and building in-house programmes – or partnering with external expertise – organisations such as JPMorgan Chase are getting ahead of their competitors, developing internal skills capabilities, while also improving retention and employee engagement.

Personalised learning culture

Of course, building an effective learning culture isn't just about buying lots of learning resources and asking employees to get on with it. Instead, employers need to think carefully about how they encourage talent to learn and the types of skills they need within their organisation.

They need to provide the space – both psychologically and physically – for employees to engage with learning, as well as being prepared for experimentation and even failure.

It's also important to consider the role of technology in learning, from gamified experiences to simulations and artificial

intelligence (AI). No two people learn at the same pace, in the same way, so tailoring your offering to individuals can help maximise outputs. Ultimately, it's about being creative, playful and engaging.

The business of education, skills and learning is about humans flourishing. That's why we at Future Talent Learning believe that skills development is about purpose and responsibility. It's about preparing the world for a better future. Let's create better workplace learning for a better working world.

“

**The business of education,
skills and learning is about
human flourishing**

”

Chapter 1

Setting the scene: how is the world of work evolving?

As radical transformation hits all aspects of society, how can businesses adapt?

Driven by a series of extraordinarily rapid changes in technology, social consciousness and global economics, the very fabric of how, when and where we work has evolved.



“The psychologically safe learning environment has moved centre stage”



Amy Edmondson

Novartis Professor of Leadership and Management, Harvard Business School

Where once the business world lived by the mantra VUCA (volatile, uncertain, complex and ambiguous), such is the chaotic nature of recent years that a new acronym has emerged that better describes our situation: BANI, standing for ‘brittle, anxious, non-linear and incomprehensible’.

Created by US author, anthropologist and futurist Jamais Cascio, the term takes into account the effect of COVID-19 and digital transformation on work. Where VUCA helped businesses navigate the effects of constant change and increased interconnectedness, BANI is about dealing with the chaotic, anarchic nature of our current world.

“BANI aims to capture not just the descriptions of a chaotic world, but also the feelings,” said Cascio in a recent interview.

“I’ve been doing futurology work for more than 25 years and one of the lessons I’ve learnt from that is that humans should be the first thing to look at. It’s so easy for futurists to look at technology and big driving forces first, but the reality is that human behaviour, feelings and thoughts need to be the focus of our work. BANI is the context of what it feels like to live in this world of chaos.”

For business, BANI is about a world that is susceptible to catastrophe at any time. In this new era, companies that are built on fragile foundations can collapse overnight. This means anxiety is ever-present and long-term planning is a challenge, as situations transform radically and without reason.

“BANI is about situations in which conditions aren’t simply unstable, they’re chaotic; where outcomes aren’t simply hard to foresee, they’re completely unpredictable,” explained Cascio. “Or, to use the particular language of these frameworks, situations where what happens isn’t simply ambiguous, but incomprehensible.”

“

BANI is about situations in which conditions aren’t simply unstable, they’re chaotic

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Surviving and thriving in chaos

‘Incomprehensible’ accurately describes the current situation in which many businesses find themselves.

Digital transformation, driven by the impact of the Fourth Industrial Revolution, was turbocharged during the COVID-19 pandemic. A McKinsey & Co report found that digitisation of internal operations and customer interactions accelerated by three to four years and the share of digitally enabled products by seven years in 2020.

This exacerbated existing skills gaps that organisations already faced, with more than a billion workers needing reskilling by 2030, according to OECD estimates.

From the pandemic emerged two immediate business challenges.

“**Digital transformation, driven by the impact of the Fourth Industrial Revolution, was turbocharged during the COVID-19 pandemic**”

First, remote and hybrid working became normalised in a way it wasn't before. Led by Big Tech (although many of these pioneers have since rolled back), companies proclaimed that employees could work from anywhere, indefinitely. As of 2022, more than half of Americans (58%) could work from home one day a week and a third (35%) could work from home permanently.

58%

Remote working

In the US, 58% of workers work from home one day a week and 35% work from home permanently

35%

Second, employee wellbeing took centre stage. The genuine threat of illness and even death from COVID-19, coupled with enforced remote working and the window into employees' personal lives, meant that business leaders' priority had to be the survival of the organisations and the wellbeing of their people.

Then came the Great Resignation. In the US, 47.8 million people quit their jobs in 2021, at an average of 4 million people each month – the highest figures on record, according to the Bureau of Labor Statistics. A report by Deutsche Bank economist Sanjay Raja found that in the UK, workers are resigning at the fastest rate since 2009.

There are four reasons why this is happening, according to the academic who coined the term “the Great Resignation”. Writing in the *Financial Times*, Professor Anthony Klotz suggested that a backlog of pent-up resignations, employee burnout, the unexpected freedom created by working from home and an existential need for change post-pandemic has forever altered how employees view work.

Empathy is a driver of success

What links all these issues? The end of command-and-control leadership and the demand for a more empathetic, emotionally intelligent style of management. In a chaotic world of radical transformation, what employees want from their leaders is communication, understanding and honesty.



What employees want from their leaders is communication, understanding and honesty



As part of its 2021 *Women in Business* report, accountancy firm Grant Thornton asked senior managers what the most important leadership traits would be for a world reshaped by the pandemic. Core attributes such as adaptability, innovation and collaboration stood out, but one trait appeared that hadn't previously been reported: empathy. More than a fifth of respondents said the ability to connect with people, and to understand different perspectives, is a key leadership skill of the future.

“COVID has changed the relationship between employers and employees, between managers and their people. Those leaders who are empathetic, who have leant in, have connected with people differently,” wrote Kim Schmidt, Grant Thornton’s global leader – leadership, people and culture, in the report.

Business's role in society

Even the biggest organisations and most high-profile leaders need to react to the changing climate. In his annual letter to CEOs, Larry Fink, US billionaire and CEO of investment management firm BlackRock, wrote that CEOs face “a profoundly different paradigm than we are used to” and “need to be asking themselves whether they are creating an environment that helps them compete for talent”.

“

The pandemic shone a light on racial equality, childcare and mental health”

“Creating that environment is more complex than ever and reaches beyond issues of pay and flexibility,” warned Fink.

“In addition to upending our relationship with where we physically work, the pandemic also shone a light on issues such as racial equality, childcare and mental health – and revealed the gap between generational expectations at work.

“These themes are now centre stage for CEOs, who must be thoughtful about how they use their voice and connect on social issues important to their employees,” argued Fink.

His letter hits an important note. Workplace flexibility, diversity and wellbeing have long been important to HR and learning and development functions, but now they’re also top of mind for CEOs and the C-suite. Organisations have no choice but to prioritise them to future-proof their business.

So, when attracting and engaging talent in a scarce market, it's no longer enough for companies to rely on their brand or previous reputation.

Today's employees want their leaders to be vocal about where they stand on issues affecting wider society. With this in mind, it's no surprise that ESG (environmental, social and governance) issues are priorities for business and entrepreneurs.

1bn

Reskilling

1 billion workers need reskilling by 2030

Investing in ESG frameworks is now the fastest growing segment of the asset management industry, with assets in ESG funds reaching \$2.7tn in 2021.

Back in September 2015, all 193 member states of the United Nations adopted a plan aimed at achieving a better, more egalitarian future for all, with aims to end poverty, reduce climate change and fight inequality.

At the heart of the plan are 17 Sustainability Development Goals, several referencing business, including good health and wellbeing, gender equality, decent work and economic growth, and responsible consumption and production.

Implementing ESG propositions isn't just about being seen to do the right thing. As a McKinsey & Co paper outlines, it also drives top-line growth, reduces costs and boosts productivity and engagement.

And – if done right – it also generates plenty of headlines, as Patagonia founder Yvon Chouinard found when his decision to give away the company and its future profits to fight climate change was revealed.



Radical transformation means that both individuals and organisations are having to reinvent themselves continuously



So, the world is chaotic, talent is scarce and businesses are having to rethink their relationships with consumers, employees and society in general.

Radical transformation means that both individuals and organisations are having to reinvent themselves continuously, investing in new skills and developing new abilities.

How can leaders meet these challenges?

The future of work is about continuous learning.

Reskilling millions of people requires learning. Becoming an agile organisation that can adapt to change requires learning. Meeting the challenges of sustainability and businesses' impact on the world requires learning. And developing as a leader – and as a human being – requires learning.

If you want to future-proof your organisation, you'll need to create better workplace learning for a better working world.

“Feeling safe and listened to is a fundamental requirement for employees”



Andrew White

Senior Fellow in Management Practice,
Saïd Business School



Case study with Andrew White

Senior Fellow in Management Practice, Saïd Business School

Put people at the centre of organisational transformation

Saïd Business School partnered with EY to find out what it takes to lead a successful transformation. We surveyed 935 leaders and 1,127 workers, and interviewed leaders from global companies, to identify critical turning points in their journeys.

We felt there would be something significant relating to the human experience. Resistance to change often derails transformation. Specifically, we asked: “What are the emotions that people feel at the beginning, the middle and the end?” – for both successful and unsuccessful transformation projects.

We found that successful leaders combine three things: an acceptance of disruption, leading through listening rather than hierarchical power, and connecting their work to a purpose they care deeply about.

This deep caring and listening to the emotional journey of people participating in the change makes all the difference.

When ‘transformation’ is mentioned, what people may hear is “headcount reduction”. If that’s not the case, make that clear. The next question employees have is “am I going to be asked to do a job that I’m not skilled to do? Am I going to be helped through this transition?”

Helping individuals to transition from grieving the loss of the ‘old world’, to being creative about the ‘new world’ and its possibilities, is a key skill for today’s leaders. Feeling safe and listened to is a fundamental requirement for employees to ensure that emotions accelerate, rather than hinder, transformation efforts.

“
This deep caring and listening to the emotional journey of people participating in the change makes all the difference”

Read the full version here



Case study with Brad Harris

Professor of Management,
HEC Paris

Be clear about what reskilling means for your organisation

To thrive long term, organisations should build an adaptable workforce that embraces critical thinking, rapid response and resilience. But phrases such as ‘future-proofing’, ‘upskilling’ and ‘reskilling’ deserve scrutiny. In 20 years, we’ll ask why some companies are still around and others are not. The easy answer will be that the survivors “future-proofed their workforce”. I bet many that don’t make it also spend money and time on future-proofing.

For organisations that are clear about how their business will change, it makes sense to invest in specific reskilling. Others will fall into buzzword development programmes. Efforts to build adaptability and critical thinking won’t be wasted, but without clarity, we raise the likelihood of an “if you don’t know where you’re going, you’ll probably end up somewhere else” outcome.

Post-COVID-19, L&D groups are delivering content remotely, broadening their reach. Learning platforms have exploded and many firms have picked up the tab for workers. Many people also found time to invest in their own development.

Interestingly, though, some of our biggest learning gains do not help workers to acquire nuanced and firm-specific knowledge and skills. Long-term growth via mentorship also faces challenges. Recent graduates report learning about their jobs and professions – but not the politics, networks and power structures that guide the most strategic decisions. Conversely, I’ve also heard that staff have embraced opportunities to pick up skills not even remotely related to their jobs. Here, learning becomes a perk rather than a strategic value driver. Both can be valuable, but the difference matters.

“
To thrive long term, organisations should build an adaptable workforce that encourages critical thinking, rapid response and resilience”

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full version here

Chapter 2

Why learning is central to future-proofing organisations

Learning and development teams have always had two main goals.

The first is to equip employees with the skills they need to do the jobs they currently have.

Second, they must equip individuals with the skills needed to advance their own careers, while meeting the future needs of the organisation.



“Some of our
biggest learning
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Brad Harris

Professor of Management,
HEC Paris

While this is still broadly true, the speed at which the professional landscape is evolving – as demonstrated in chapter one – means these twin aims are shifting.

Today, the skills employees need to keep doing their current jobs are changing all the time, while movement within an organisation is no longer just vertical, but also horizontal, diagonal and even in and out.

It's no longer enough simply to train people for the next rung on the corporate ladder.

From an organisational point of view, learning and development is also about engagement and retention – a huge challenge in the UK, with just 9% of employees feeling enthused by their work, according to Gallup.

If you can't keep hold of your best people, you quickly fall behind.

Organisations need to shift from focusing on extrinsic motivators – such as salary and bonuses – to intrinsic ones, such as creativity and self-motivation.

In his book *Drive*, bestselling author Daniel Pink lays out the three key components of intrinsic motivation: autonomy, or the need to direct your own life and work; mastery, or the desire to grow and improve, and purpose, which connects personal goals to organisational targets.

Learning and development plays a key role in this new era of employee motivation.

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It's no longer enough simply to train people for the next rung on the corporate ladder

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Changing needs

Consider this thought from Cathy Benko, board member at Nike, former vice chairman and managing principal at Deloitte LLP and author of *The Corporate Lattice: Achieving High Performance in the Changing World of Work*.

Writing in Harvard Business Review, she said:

“In the industrial era, the corporate ladder was the standard metaphor for talent development and career paths. Its one size fits all, only-way-is-up rules were clear, and incentives uniformly supported them.

“The lattice, in contrast, represents career paths that change continually and adaptively through multidirectional, zigzag movements.”



**The lattice
represents career
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and adaptively
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multidirectional,
zigzag movements**



“A lattice approach supports lateral, diagonal and both ascending and descending career moves. It encompasses apprentice opportunities and job sharing for the purpose of training, legitimising arrangements seldom suited to corporate ladders.

“They create a range of options for growth and development and foster a more inclusive workplace that makes learning opportunities available and relevant.”

As with Pink’s intrinsic motivation, the central idea of the corporate lattice is placing the individual employee at the heart of their own learning; effectively CEO of their own career, empowered to seek out new roles, skills and experiences.

“
Working lives are getting longer and people’s priorities are changing”

This chimes with another factor affecting how employees view their careers: the 100-year life. The majority of children born today in wealthy countries will live beyond 100, with global life expectancy rising at the fastest rate since the 1960s.

This means that working lives are getting longer and people’s priorities are changing.

Professors Andrew Scott and Lynda Gratton are the authors of the bestselling book *The 100-Year Life: Living and Working in an Age of Longevity*. Like Benko, they believe that traditional ideas about how we work are out of date.

“Today, adult lives follow a set three-stage linear trajectory – education, work, retirement.

“In a 100-year life, the fixed succession must yield to a way of living that is more flexible and responsive – a multistage life with a variety of careers, breaks and transitions.

“In a seven- or eight-stage life, coupled with longevity, abundant resequencing combinations put an emphasis on options and choice,” they write.

The role of employers

So, if future generations are going to iterate through several careers and stages of life, what role do employers have in facilitating and providing the skills they need?

First, it's about driving a learning culture. Often, this needs to start from the top. When Satya Nadella became Microsoft CEO in 2014, he immediately pushed learning and growth to the top of the company's agenda.

In a leaked 2015 company email, Nadella called for “a culture founded in a growth mindset”, where “everyone can grow and develop”; employees “need to always be learning and insatiably curious”.

Having a growth mindset is core to Nadella's personal leadership style. First coined by Stanford professor Carol Dweck, a growth mindset posits the idea that learning, and overcoming challenges,

leads to greater success than having talent or innate ability.

For Nadella, putting learning at the heart of Microsoft's culture was about more than revenue and execution. It was also about rewarding innovation, experimentation and growth. And it seems to be working: Microsoft's stock price has quadrupled since he became CEO.

“
**Having a growth mindset
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leadership style**”

Former Bank of England governor Mark Carney, author of *Values*, goes even further. In a [speech on the future of work in 2018](#), he posits how previous industrial revolutions have led to the creation of primary, secondary and tertiary education.

The Fourth Industrial Revolution, with its huge impact on the cognitive tasks of middle-ranking human jobs, means many mid-life employees will suddenly need to change paths.

A large, bold, dark blue graphic of the number 9 followed by a percentage sign (%).

Retention

Just 9% of UK workers feel enthused by their job

To succeed, we need vast new mid-life education processes, empowered by both states and employers. He calls it quaternary education.

“Each industrial revolution has eventually been accomplished by major innovations in enabling educational institutions. The biggest issue may be how to institutionalise retraining in mid-career and to integrate it with the social welfare system.

“The time for a quaternary system of education, founded on the same principles of universality as primary, secondary and tertiary education, may eventually arrive,” he said.

Carney points to [Singapore’s SkillsFuture programme](#) as an example of how retraining programmes could run in the future.

As part of this, all citizens aged 25 and over are eligible for £250 credit to pay for approved work skills related courses, with subsidies of up to 90% provided on top of this for those aged 40 and over.

“The biggest issue may be how to institutionalise retraining in mid-career and to integrate it with the social welfare system”

Perhaps, for now, it's about understanding that educational institutions can only do so much. If employers are serious about developing future skills, employee engagement and business security, they will need to take control of learning themselves.

Take financial behemoth JPMorgan Chase as an example. Back in 2019, the financial services giant announced a \$350m investment in future-proofing the organisation's skill set.

Its five-year programme focused on upskilling the organisation's workforce for changes in technology and business, as well as predicting future workplace trends to build opportunities in internal mobility and development.

Part of the investment included a \$125m fund to strengthen education and training systems, improving collaboration between employers and universities, colleges and training providers.

“The new world of work is about skills, not necessarily degrees,” said JPMorgan Chase CEO Jamie Dimon at the time. “Unfortunately too many people are stuck in low-skill jobs that have no future and too many businesses cannot find the skilled workers they need.”

“We must remove the stigma of community college and career education, look for opportunities to upskill or reskill workers and give those who have

been left behind the chance to compete for well-paying careers today and tomorrow.”

At the same time, JPMorgan Chase made it compulsory for incoming asset management and investment banking analysts to take coding classes, in line with its mission to be seen as a technology group, not just a bank. The result? Technologists now account for a fifth of its 250,000-strong workforce.

Part of empowering employees to take control of their own learning is providing them with the right resources to do so. Gone are the days of PowerPoint slides and compulsory training sessions. Modern learning is about tailoring learning experiences to individual requirements.

LinkedIn’s 2018 *Workplace Learning Report* surveyed 4,000 professionals around the globe about their learning needs. It found that 94% of employees would stay at a company longer if it invested in their careers, with 68% preferring to learn at work and 58% wanting to learn at their own pace.

94%

Learning needs

94% of employees would stay at a company longer if it invested in developing their careers

Social and on-the-job learning

Technology company HP is another organisation that looked to employee feedback and growth mindsets when revamping its learning programmes.

It developed an online social learning platform called Brain Candy, which mixed content from internal subject matter experts with an external learning platform.

Content is provided in an easy access, bite-sized format, allowing employees to learn when they want to, coupled with exercises and applications that allow learners to apply theory to real-time events.

Sharing is key too, with employees encouraged to curate and share content with their own teams and broader departments. “We wanted to facilitate learning, not dictate it,” says HP global head of talent and learning Mike Jordan.

“We wanted to help people identify where and how they wanted to develop, and then give them the opportunities to learn and practise.”

“
**We wanted to facilitate
learning, not dictate it**”

Providing opportunities to practise and apply learning is vital to creating a learning culture. Without it, we waste what we learn.

As far back as the 19th century, German psychologist Hermann Ebbinghaus experimented with how we memorise information.

His studies led him to develop the Forgetting Curve, which suggests that the longer we leave it to apply new information in practice the more likely we are to forget it.

Leave new information for an hour, and you'll remember only 44% of it. Leave it a day, and it goes down to 34%. After two days, you'll only remember 21% of new information.

That's why practical programmes such as apprenticeships are on the rise, with a 43% growth in the number of new apprenticeship starters between 2020 and last year.

Applied on-the-job training, using real-life scenarios, is an engaging and effective way to develop new skills.

“

Applied on-the-job training is an engaging and effective way to develop new skills”

43%

*New modes of learning
43% growth in new apprenticeship starters*

The role of the individual

But if individual employees should be empowered to learn at their own pace and in their own ways, what should they be learning?

In this BANI world, we know that technology, automation and AI are changing how we work – and the work we do. We also know that we're likely to go through different roles and stages of life, as we live and work longer.

Perhaps, then, the individual skills we should focus on should be those that make us uniquely human, such as creativity, emotional intelligence (EQ) and relationship management.

These are the skills that will allow us to continue adapting and evolving in a chaotic world.

“ Perhaps, then, the skills we should focus on should be those that make us uniquely human, such as creativity, EQ and relationship management ”

The World Economic Forum agrees, with skills such as leadership and social influence, resilience and flexibility, and active learning listed among its top 10 skills of the future.

McKinsey & Co adds further definition, listing 56 foundational skills that will help citizens thrive in the future of work.

For McKinsey, the skills of the future must fulfil three criteria: they must add value beyond what can be done by automated systems and intelligent machines, they must be able to operate in a digital environment, and they must help individuals to continually adapt to new ways of working.

From here, the skills are divided into four areas: cognitive, interpersonal, digital and self-leadership.

Notably, the McKinsey report calls for “continuous adult training” to raise proficiency in these future skills.

It also found that current adult training programmes fail to develop many of the skills adequately, particularly when it comes to leadership and self-awareness and self-management.

Clearly, there is an opportunity for employers to take the lead in creating and providing learning programmes. But how do we do it?

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Notably, the McKinsey report calls for “continuous adult training”

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“Successful
education reform
tends to happen
from the bottom up”



Arturo Bris

Director and Professor of Finance,
IMD World Competitiveness Center



Case study with Amy Edmondson

Novartis Professor of Leadership and Management, Harvard Business School

Why businesses must enable ‘learning as execution’

The idea of the psychologically safe learning environment has moved centre stage. Why? Several years of media coverage – including Google’s quest to build the perfect team through Project Aristotle – coupled with the impact of COVID-19, has accelerated interest in what it takes to engage people in learning and problem-solving.

Leadership is no longer about controlling behaviour, but about inspiring and enabling people to learn and innovate. And learning can happen in different ways. There is room for classroom-based and online experiences; people should be empowered to learn individually and in teams. However, I believe there are certain learnings that are best conveyed in teams, when people get energy and connections from their peers. Without these bonds, individuals suffer psychologically and innovation weakens.

Second, organisations need to enable “learning as execution”, by making learning a part of the everyday. This makes people more reflective and aware of feedback available from work itself, driving multi-faceted problem-solving and innovation. It’s applied learning, rather than learning in a classroom and trying to execute down the line. This is why we’re seeing a trend towards bite-sized learning. People can get online for 30 minutes to study a module and spend the rest of the day practising.

We’re going to need to keep retooling people, and the chaotic nature of our world means that providing psychologically safe learning spaces is even more important. Businesses need to hire learners, because developing technical and interpersonal skills is going to be a lifelong endeavour for us all.

“
The chaotic nature of our world means that providing psychologically safe learning spaces is even more important
”

Read the full version here



Case study with Arturo Bris

Director and Professor of Finance, IMD World Competitiveness Center

Learning is key to talent competitiveness

In the World Competitiveness Center's latest World Talent Rankings, the UK has slipped to number 28 out of 63 countries. Foreign talent is looking elsewhere due to political turmoil and cost-of-living concerns, while the quality of the UK's education system means businesses are struggling to develop the domestic workforce.

Our research surveyed more than 5,000 executives from 63 countries, looking at how the economies attract, retain and develop their workforces.

Our focus is on how well companies can fill the jobs they need. So, when we talk about education, there are some economies that have excellent systems, but don't adequately prepare people for the jobs companies need; France, for example. Second, we look at how well companies in

those economies develop the skills of their existing people; the extent to which skills, education and jobs match one another.

We found that countries such as Singapore, Denmark and Switzerland have education systems that match their labour needs – and as they are small, they can move fast. When AI became a hot topic, the Singaporean government introduced an initiative to have it taught in schools.

Successful education reform tends to happen from the bottom up – which requires a certain consensus. But the UK's social and political fragmentation means there is none. Uncertainty is less attractive for talent. In Denmark or The Netherlands, everybody knows what the education and economic strategy is going to be 10 years down the road. And that's good for attraction.

“
**When
AI became
a hot topic,
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full version here

Chapter 3

Creating a learning culture

Building and maintaining a learning environment comes down to culture.

In the era of the Great Resignation, global chaos and uncertain economics, it can be easy for businesses to focus on short-term outputs: profits, margins and attrition.

However, to thrive in the future, organisations need to look long term for growth, innovation and development.



“Leaders must be prepared to give people the opportunity to experiment”



Margaret Heffernan

Entrepreneur, CEO and Author

McKinsey & Co argues that there are nine organisational imperatives that will separate future-ready companies from their peers, split into three key areas: who you are, how you operate, and how you grow.

Culture, purpose and value sit within who you are. Engaging talent, flattening your structure and quicker decision-making will be vital to how you operate. But when it comes to growth, accelerating learning – alongside data and agility – is what sets forward-thinking companies apart.

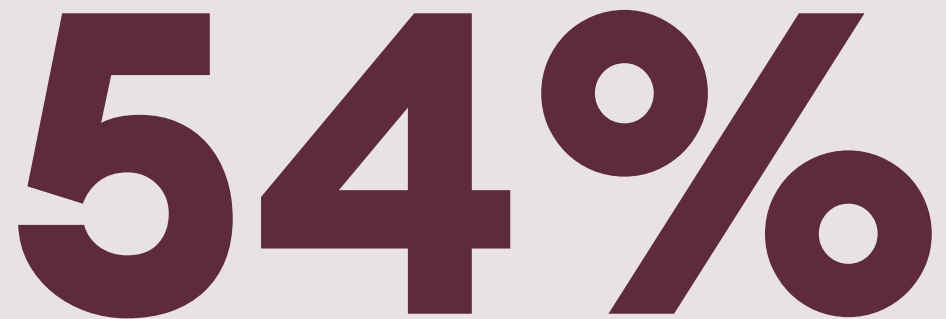
“The most successful companies are the ones that promote a mindset of continuous learning, which then enables staff to adapt to shifting needs,” the report states.

Not only does learning future-proof your business, but it is also an intrinsic component of engaging existing talent. More than 90% of employees say they would stay at a company longer if it invested in learning, according to a LinkedIn survey.

However, creating a learning culture isn’t straightforward, requiring patience and understanding.

Consider Amazon founder and executive chairman Jeff Bezos’ thoughts on the importance of experimentation.

“I believe we are the best place in the world to fail (and we have plenty of practice), and failure and invention are inseparable twins,” he says. “To invent, you have to experiment and if you know in advance it’s going to work, it’s not an experiment.



54%

Tailored programmes

54% of employees would spend more time on learning if it was tailored to their own goals

“Most large organisations embrace the idea of invention, but are not willing to suffer the string of failed experiments necessary to get there.”

If you're always learning, you're always growing. Today, the challenge for chief learning officers and L&D teams is no longer about helping team members to learn specific skills.

Instead, it's about creating an environment where employees have the mindset, behaviours and space to continuously discover and develop new abilities, while also having the courage and confidence to unlearn rules of the past – even if those rules previously helped them to excel.

As author, CEO and entrepreneur Margaret Heffernan explains (see case study, page 47) – L&D professionals are now “curators of education” with the workplace “a new centre of learning”.

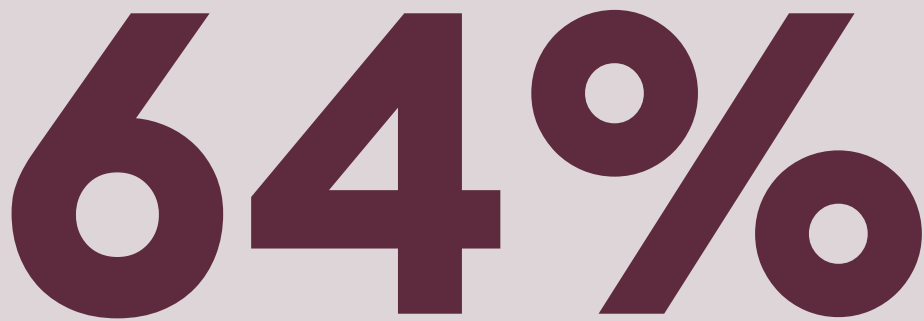
“

**To invent,
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and if you know
in advance it's
going to work,
it's not an
experiment**

”

Creating a strong learning culture means following some basic principles. Learning should be practical, helping employees to apply knowledge to real-life situations.

A 2022 survey by TalentLMS and SHRM found that 64% of employees think learning by simulation or doing is the best way to learn.

A large, bold, dark blue graphic of the text "64%" is centered on a light blue background. The numbers and the percentage symbol are thick and stylized.

On the job

64% of employees think learning by simulation is the best way to learn

In addition, learning should be inclusive; learning materials and delivery should account for different types of learner. It should also be simple, so that learners understand what they're trying to achieve.

Above all, learning should inspire curiosity. It should be challenging but never boring. Playful and engaging exploration of new ideas is the best way to learn.

If you're sceptical about this, consider a 2014 study at the University of California. Researchers asked participants to rate their curiosity about learning the answers to a set of questions such as "what does the term dinosaur really mean?". The participants then lay in a brain scanner before the questions were repeated and answers given. After, they were tested on their recollection of these facts.

The study found that participants were 30% more likely to recall a fact if they had been curious about it. They also received a dopamine hit when curious, enhancing the formation of new neural connections. In short, curiosity can help your brain grow.

The learning environment

As with all culture initiatives, gaining buy-in and winning the trust of your employees is crucial. Creating the space for learning to take place, and providing the psychological safety for people to experiment, fail, and then grow, takes time.

One organisation that has decided to ‘go big’ on learning is global medicines company Novartis. In 2019, it invested \$100m over five years to ramp up support for learning across the business and hired its first ever chief learning officer, Simon Brown.

“
**Gaining buy-in and
winning the trust of your
employees is crucial**”

As part of Novartis’ regular employee engagement pulse surveys, Brown found that the two biggest barriers to people taking advantage of learning were “I don’t have time to learn” and “my manager doesn’t support me in my learning”.

So, Brown and Novartis’ C-suite decided to set an explicit aspiration for all employees to spend 100 hours a year – or 5% of their time – on their own learning, development and curiosity, with senior leaders role modelling the initiative.

“[We did] this not because a hundred hours is a scientific measure of what one should spend on learning, but actually it was a symbol to say the company wants people to be spending time learning,” says Brown (see case study, page 48).

“We see the value in people building their own skills and building the skills the company needs, and therefore by setting that aspiration, it creates the space that people can invest their time in taking advantage of our learning content.”

Encouraging employees to learn also requires providing a psychologically safe space.

In order for someone to admit they don't know something, challenge existing processes and ideas and be innovative, they need to feel that honesty and vulnerability are welcome in their workplace.

“
**To avoid being perceived
as ignorant, we don't
ask questions**”

Amy C Edmondson is a professor of leadership and management at Harvard Business School and architect of psychological safety in the workplace. She believes that psychological safety is vital to individual and organisational learning.

“It's a natural human tendency to hold back ideas and shy away from disagreeing with the boss. To avoid being perceived as ignorant, we don't ask questions,” she writes.

“To avoid being thought of as incompetent, we don't admit weakness or mistakes. To avoid seeming intrusive, we don't offer ideas. To avoid being branded as negative, we don't criticise the status quo.

“But every time we withhold our thoughts, we rob ourselves and our colleagues of small moments of learning.”

In tough times, it's even more important for businesses to provide psychological safety.

To address evolving and complex problems, businesses need people who are able to work at speed, with agility and creativity. Being open to learning, challenging orthodoxies and sparking curiosity is vital to growth.



Traditional workplace learning formats have stuck to a one-size-fits-all approach, with entire teams taking classroom-based training



Psychological safety also helps to foster inclusivity – and this is another key piece when it comes to creating effective learning cultures.

Asking employees to be vocal about problem-solving, acknowledge their weak spots and engage with skills development means creating a space where they feel able to be open.

Of course, an inclusive learning culture also means thinking about design. Programmes should be structured in a way that is accessible to all employees, through both opportunity to learn and mode of delivery.

But this hasn't always been the case.

Traditional workplace learning formats have stuck to a one-size-fits-all approach, with entire teams taking classroom-based training. Times have changed.

How to make learning relevant

According to LinkedIn's 2020 Workplace Learning Report, 57% of L&D professionals said they spend more time with online learning than they did three years ago.

While blended learning (a mix of classroom and online training) is growing, so is the desire for personalised learning. More than half of employees surveyed (54%) said they would spend more time on learning if it was tailored to their specific career goals.

Increasingly, organisations are turning to technology and digital products in order to deliver personalised, situation-specific learning programmes that have a measurable impact on how employees develop.

Take computing giant IBM, for example. Its home-grown learning platform – called Your Learning – curates both internal and external training in one place, delivering highly personalised, tailored training recommendations to its employees.

The platform uses AI and analytics to examine the existing skill sets of the company's 350,000-plus employees, examining their digital footprint across the business. The skills they have and their proficiency in them then helps to determine the training recommendations provided to them – a Netflix-style approach to personalised learning.



51%

Virtual learning

51% of companies have already integrated – or are in the process of integrating – virtual reality into learning



**Some
organisations
are going further
when it comes to
new technology
and learning,
with virtual
reality training
becoming more
popular**



IBM employees can then access Your Learning content online or via a mobile app, allowing them to learn when and where they want to.

There is also a gamified element, with users collecting badges based on the programmes they complete, which they are encouraged to share. Some organisations are going further when it comes to new technology and learning, with virtual reality training becoming more popular.

A 2022 study by PwC found that 51% of companies are either in the process of integrating virtual reality into their learning strategy, or have already done so. Why?

According to the survey, it's four times faster to train learners via virtual reality than it is in a classroom. They are also three and three-quarter times more emotionally connected to the content they study, and a staggering 275% more confident in applying their skills after training.

US retail giant Walmart is one organisation that has implemented virtual reality training into its learning culture, with vice president of learning Andy Trainor saying “virtual reality allows you to artificially create scenarios that you can’t recreate on the sales floor in a way associates can learn in a safe environment”.

Walmart uses virtual reality in multiple ways, including preparing colleagues for busy periods such as Black Friday, dealing with angry customers and to ascertain which employees have the skills to progress to middle management.

Since using virtual reality, Walmart has seen an increase in employee test scores of 5-10% and is cutting lengthy management programmes into five-minute modules that can be completed virtually.

“
Creating a learning culture requires organisations to be, well, creative”

Another way of encouraging a learning culture is to create a social aspect to training, democratising the learning process.

Australian bank Westpac’s LearningBank platform is a good example, whereby curated content is distributed to employees who are then encouraged to co-create learning materials and share it among their colleagues.

This allows like-minded employees to build communities and networks on topics they are interested in, while also focusing skills development on the areas they’ll need for the future.

Creating a learning culture requires organisations to be, well, creative. It’s no longer enough simply to provide learning material. To thrive in this new era of learning, organisations need to think about the environment they provide for learning and the way they encourage people to learn.

Playfulness, a direct link to real-life situations and empowering individuals to learn how and when they want, is vital to building a learning culture that succeeds.

“When developing a learning culture, it’s vital to understand the data and analytics”



Simon Brown

Chief Learning Officer, Novartis



Case study with Margaret Heffernan

Entrepreneur, CEO and Author

The workplace is becoming a new centre for learning

It is enormously in employers' interests to enable the workforce to build on their existing experience and expertise. This is far better than simply saying "we must hire lots more new people".

Providing continuous learning embeds institutional knowledge, creates a richer relationship between employer and employee, and means the learning is very focused on the current work environment.

In companies I've run, I've always been willing to pay for people to learn anything. If someone wanted to learn needlepoint, that was fine with me. If you're thinking about how to use data and technology more effectively, you're much better off developing those skills in your existing workforce than by outsourcing to consultants or replacing people.

An organisation's sustainability depends on its capacity to educate the workforce on an ongoing basis. Therefore, a significant role of L&D teams will be keeping abreast of the market, identifying opportunities and sourcing that education.

I believe that if people have two experiences, they'll probably be ok: first, they need to experience how exhilarating it is to learn something – "I can do something today that I couldn't do yesterday". Second, they need to experience discovering that they can invent and solve things for themselves.

Leaders must be prepared to give people the opportunity to experiment and explore, and the time to figure out what they've learnt. That way, they'll have much more valuable employees.

“
In companies I've run, I've always been willing to pay for people to learn anything. If someone wanted to learn needlepoint, that was fine with me
”

Read the
full version here



Case study with Simon Brown

Chief Learning Officer, Novartis

Creating a curious learning culture

In 2019, Novartis decided to go ‘big on learning’, investing \$100m over five years, on top of our annual \$200m training budget. We did this to attract and retain the best talent, while building the skills to deliver on our strategy. The three pillars of our culture are inspired, curious and unbossed – and learning fits squarely in the curious element.

First, we examined the challenges. One was around people having time to access learning; another, a lack of support from managers. To move learning up the priority list, we set an aspiration for people to spend 5% (100 hours) of their year on learning. You don’t have to do it, but we wanted to remove any guilt employees felt about spending time on learning. The result is that the amount of time people spend on learning has doubled over the past three years – from 22.6 hours in 2018 to 52.1 in 2021.

We also encouraged leaders to become role models, talking about their own learning and creating shareable playlists of the programmes they were taking. We set up curiosity months, with events, webinars and activities. These were so successful that we extended curiosity month into a year-long schedule of events.

When developing a learning culture, it’s vital to understand the data and analytics behind learning. Not only will it help you to see whether you’re on the right path – for example, we can see that our people spend the most time learning about leadership, and data and digital – but it will also help you to have better conversations about learning. It shows where you are doing well; the skills you are lacking. Data allows you to have conversations based on insights, rather than hearsay.

“
We also encouraged leaders to become role models, talking about their own learning and creating shareable playlists
”

Read the
full version here

Conclusion

In a complex and ever-changing world of work, in which organisations must constantly reinvent themselves, learning is no longer a function of HR or L&D – but a business imperative.

This requires us to re-evaluate how, why and when we deliver learning. It means investing in new tech and ideas to engage people, fostering creativity, innovation and emotional intelligence. It means acknowledging the strategic value of learning.

Why must we do it now?

As individuals, we need to equip ourselves for longer working lives and shorter skill lifecycles.

As organisations, we need to keep up with external change, while finding new, intrinsic ways to motivate our people. And as a society, we need to meet the big challenges of our era, using innovation and creativity.

Learning is the common solution that allows us to do all of these things.

If your business is currently negotiating any of the issues discussed in this paper, or you'd simply like to know more about our learning programmes, please contact us:

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