Companies who want to effectively develop all-star teams and increase profits must maximize their organizational capacity for learning in 2017. It’s been an exciting year for the industry, as managers continue to usher in more creative and engaging multimedia curriculums that employees rely on to do their best work.

In order to help companies make the most of the opportunities 2017 presents, ELM commissioned a survey in Q1 exploring a range of factors that directly impact the quality of corporate learning programs. Participants across a wide range of industries from hospitality and manufacturing to aerospace and non-profits responded to questions about satisfaction with current learning materials, budget allocation, goals, and challenges. About half of respondents held a Director or Senior-level position in their department, providing a balanced perspective of both supervisors and staffers. These survey findings can help organizational decision-makers assess how their learning programs measure up, underscore trends that are shaping learning strategies, and determine what changes need to be made in order to retain a competitive edge.

What should your team do to provide high quality, engaging learning experiences that drive the results you seek in 2017? Let’s find out.

*To learn more about our survey, see the Appendix.*
SUMMARY.

In 2017, a majority of companies will be focused on devising and implementing blended learning experiences, with an even mix in both instructor and digital-based content. Some will also design those programs to be experienced on mobile devices. At the core of the curriculum will be an emphasis on leadership and management training, followed by sales and product training, and onboarding and induction. Few companies are increasing learning budget allocations over 2016 figures, even though many respondents indicated a cash infusion would make a significant difference in program effectiveness. However, funding restrictions don’t mean amazing innovations won’t continue to be made, especially in the constantly-evolving realm of multimedia learning. It’s not about spending more, it’s about spending differently to improve engagement.

AT A GLANCE

Decision-makers in charge of implementing corporate learning programs should familiarize themselves with the following key findings from ELM’s 2017 Trends in corporate learning study.

Satisfaction

By far and away, a majority (84.6%) of survey participants described themselves as satisfied or somewhat satisfied by their current learning programs. That’s big news. However, only a few respondents said they were very satisfied (7%), indicating that there’s ample opportunity to go from good to great. This highlights a positive trend in corporate learning, leaving room for companies to improve and expand upon their current programs to meet the highest quality standards.
Content
2017 shows the heaviest content focus on:
• Creating or expanding Leadership and Management Training in the corporate landscape (66.2%)
• Sales and Product training (51.7%)
• Onboarding and Induction (53.25%)

Challenges
Employee engagement is the leading challenge to overcome in 2017 L&D, followed by finding ways to measure ROI* as a close second, and not having enough budget right behind that.

A majority of respondents (79.7%) also indicated they’d like to see significant changes to the industry in the following areas:
• More budget
• Better Learning Management Systems and shifting learning to new tech
• Leadership buy-in
• Focus on ROI

Method
The most popular delivery method for learning and development is a blended approach. Instructor-led training is still highly prominent at 73.6%, with digital learning not far behind at 62.5%. Mobile accounts for a notable 37.5%.

Skill Development
Leadership skills lead the way on importance to L&D teams for 2017. Critical thinking/problem solving also ranks in high importance, and sales enablement and customer service are also big focuses the rest of this year.
**Experimentation**

L&D leaders plan to implement new learning strategies this year as part of their biggest change. We’ll see more organizations experimenting with microlearning, personalized learning, gamification, mobile learning, and adaptive learning.

**Going Digital**

About a quarter of L&D leaders are also looking to transition their programs to a digital platform, which will better serve an influx of remote and mobile workers. About a fifth of L&D leaders will be looking for new technologies to better deliver their training, as Learning Management Systems are becoming outdated. Innovation in the LMS space will shake up the industry as we move into the coming years.

**Budget Allocation**

L&D has been a historically low line item and underfunding is one of the greatest challenges for the industry. Not surprisingly, 30.9% of respondents said they are dissatisfied with the size of their 2017 budgets, while 36.8% responded that they are somewhat satisfied while 23.5% are satisfied. Some will have to do make adjustments within stagnant budgets; 44.1% of respondents shared their budgets will remain the same as they move into 2017, indicating a reallocation strategy is important if new strategies or technologies are going to be incorporated this year.

The majority of budgets in 2017 are:

- No budget at all (14.5%)
- between $1,000 - $50,000 (25.8%)
- between $300K - $500K (16.1%)
- between $500K to $1M (14.5%)
- $1M+: 21%

*If you’d like to learn how to measure ROI, see ELM’s How To Align Learning To Goals eBook.*
FINDINGS.

Let’s take a look at the specific insights gleaned from ELM’s 2017 L&D State of the Industry Report.

SATISFACTION WITH CURRENT LEARNING PROGRAMS

These figures reflect the perceived effectiveness of current learning tools.

**Takeaway**

A heavy majority of survey participants were either somewhat satisfied (42.3%) or satisfied (42.3%) with their current learning programs, while a much smaller number were very satisfied, or not satisfied at all.

- Not Satisfied: 8.5%
- Somewhat Satisfied: 42.3%
- Satisfied: 42.3%
- Very Satisfied: 7.0%

**Implications**

Although it’s great to see that organizations are satisfied, these figures should still give L&D leaders pause. Is it possible that the bar is being set too low? Could corporate learning design be significantly improved? Do leaders have a clear view of what success is or what an extremely effective program looks like?
SKILL SETS EMPHASIZED

These figures indicate the areas of their businesses where the most learning content is being created, as well as areas where respondents would like to focus.

Takeaway

2017 shows the heaviest content focus on the creation or expansion of leadership and management training in the corporate landscape. Sales and Product training (51.7%) and Onboarding and Induction (53.25%) are also a high priority for L&D this year.

Sales & Product: 51.7%
Custom eLearning: 32.4%
Diversity and Inclusion: 14.1%
Performance Management: 26.8%
Leadership and Management: 66.2%
EHSS: 1%

Compliance and Policy: 38%
Soft Skills: 35.2%
Onboarding and Induction: 53.5%
Customer Service and Experience: 25.4%
Process and Technical: 41.8% Operations
Implications

It’s not surprising that leadership development is important. By 2020 Millennials will make up about half of the U.S. workforce, and they need help with soft skills and management. This is also crucial to retaining top Millennial employees, who change jobs more frequently.

WHAT SKILLS MATTER MOST IN 2017

Takeaway

L&D leaders feel leadership skills lead the way on importance to business for 2017. Critical thinking/problem solving also ranks in high importance, and sales enablement and customer service are also important this year.

<table>
<thead>
<tr>
<th>Percent</th>
<th>Soft Skills/Interpersonal</th>
<th>Leadership</th>
<th>Technological</th>
<th>Critical Thinking/..</th>
<th>Sales Enablement</th>
<th>Customer Service</th>
<th>Digital Marketing</th>
<th>Other (Innovation..)</th>
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<tr>
<td>32</td>
<td></td>
<td>65.3%</td>
<td>30.6%</td>
<td>48.6%</td>
<td>43.1%</td>
<td>4.2%</td>
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</tbody>
</table>

Implications

It’s time to consider adding soft skills training within your learning initiative.
BIGGEST CHALLENGES TO OVERCOME

These figures indicate some of the top areas where L&D leaders are building solutions.

*Takeaway*

Employee engagement is the leading challenge to overcome in 2017 L&D, followed by finding ways to measure ROI as a close second, and not having enough budget right behind that.

Outdated Tech: 9.9%
Content Creation: 7%
Measuring ROI: 19.7%
Budget: 18.3%
Learning Strategy: 7%
Leadership Buy-in: 8.5%
Employee Engagement with Learning: 22.5%
Other: 7%
Development Resources, Siloed Learning
(one part doesn't know what the other part is doing),
Time, Remote Learning Solutions,
Restaurant Tech
IMPLICATIONS

These aren’t entirely surprising findings, but it’s worth asking: Why haven’t some of the learning industry’s core challenges shifted in such a long time? Think about the following:

• **Engagement** — In the past, learning was not designed for optimal engagement. Modules were developed with poor design, content overload, and other inexact methods, and it was expected that learners would comprehend and execute the material. It’s time to overcome this old mentality and use the brain science and instructional design available to optimize the learning experience.

• **ROI** — One of the most common complaints in the learning industry is that it’s extremely difficult to demonstrate how learning impacts the bottom line. How can an organization tie a module to sales increasing? Is it time to invest in technologists who can properly measure the correlation? This can and will be a breakthrough moment for the learning industry.

• **Budget** — The attitude many organizations have taken toward learning budgets is one of nice-to-have, not need-to-have. L&D leaders rarely have decision-making authority over their budget size and scope. Thus, getting organizational leadership to buy into learning is 100% tied to budget. Are too many organizations waiting for more money too long instead of changing their investment portfolio, achieving new results, then asking for more money?

DELIVERY METHODS

These figures reflect the various ways learning tools are developed, and the mediums in which they are delivered to learners.

*Takeaway*

The most popular delivery method for learning and development is a blended approach. Instructor-led training is still highly prominent at 73.6%, with digital learning not far behind at 62.5%.
Implications

While multimedia and mobile methods are steadily surging, it remains true that human interaction is still an important compliment to digital options. For example, an on site or contracted manager may be the better pick to facilitate group discussions or tailor a specific lesson to an individual learner. However, there is still much room for growth in social engagement for digital. Will leaders focus more deeply on mobile because it’s effective for on-demand training? It could make a major difference for traveling salespeople or remote employees.
SATISFACTION WITH EMPLOYEE ENGAGEMENT

These figures indicate how satisfied respondents were with employee engagement with current learning materials.

Takeaway

A small percentage of respondents were satisfied (30.6%) and only a few were very satisfied (4.2%) by the way employees engaged with learning materials. Most respondents indicated that engagement is only somewhat satisfying (54.2%) or not satisfying (11.1%).

Not Satisfied: 11.1%
Somewhat Satisfied: 54.2%
Satisfied: 30.6%
Very Satisfied: 4.2%

IMPLICATIONS

There are any number of reasons why leaders report underwhelming satisfaction with engagement numbers — from a simple strategic misstep to a broader communication issue. For example, an organization might not be utilizing the optimal delivery method, or failing to provide mobile training for sales and remote staff. Or an organization might be failing to frame learning as important. Is it checking a box or is it a core part of being the best? Moreover, do organizational leaders even have a vision or examples of what excellence could be?
LEARNING STRATEGIES AND METHODOLOGIES

These figures reflect the top strategies L&D leaders are using in 2017.

**Takeaway**

The blended approach, which combines both instructor-led training and digital learning, is the most popular approach to learning the majority of L&D leaders plan to use. Self-paced learning platforms are also trending for 2017, followed by microlearning content strategies in third.

- Microlearning: 58.3%
- Gamification: 38.9%
- Blended Learning: 79.2%
- Adaptive/Personalized Learning: 31.9%
- Self-paced Learning: 75%
Implications

Use of the blended approach has been a common practice in recent years, but it’s interesting to see self-paced learning trending higher. Does it reflect the industry’s shift toward an increasing number of leaders realizing that people learn differently and at different speeds? In general, does the strong showing for strategies like microlearning and gamification suggest that companies are making more of an effort to tailor learning experiences to individuals? Does increased use of these approaches mean that they are being implemented correctly?

*For more information regarding effective uses of gamification, go here.

BIGGEST CHANGES TO INITIATE IN 2017

Here’s how L&D leaders are shaking up their learning programs this year.

Takeaway

Leading with 37.5%, L&D leaders plan to implement new learning strategies this year as part of their biggest change. (Here’s where you can talk about trending strategies like Microlearning, personalized learning, gamification, mobile learning, adaptive learning).

About a quarter of L&D leaders are also looking to transition their programs to a digital platform. And 22.2% are looking for new technologies to better deliver their training. LMS’s are becoming outdated, and innovation in the LMS space will shake up the industry as we move through the rest of the year.
IMPLICATIONS

The industry will grapple with the following key issues:

• **Trying new strategies.** There are a variety of new strategies out there that tap into employee motivation, the ways they learn, and are more conducive to the way we work now. We have to make new strategies because of how multimedia is changing.

• **Evaluating the efficiency of LMS technology.** The use of once-dominant tools is shifting rapidly due to current inefficiencies and limitations. Will cloud technologies take over?

• **Going digital.** 1/4 of the industry is shifting to digital.

• **Serving remote employees.** It’s a rapidly-growing segment of the workforce.
TRENDS IN BUDGET SIZE

L&D leaders share the changes in their 2017 budget size.

*Takeaway*

We all know that budget for L&D has been historically low and one of the greatest challenges for the industry. 44.1% of respondents shared their budgets will remain the same as they move into 2017, indicating a budget reallocation strategy is important if new strategies or technologies are going to be incorporated this year.

- Increasing: 29.4%
- Decreasing: 26.5%
- Staying the same: 44.1%

SATISFACTION WITH BUDGET SIZE

*Takeaway*

There’s no surprise that 30.9% of respondents are dissatisfied with the size of their 2017 budgets. 36.8% responded that they are somewhat satisfied while 23.5% are satisfied.

- Very Dissatisfied: 5.9%
- Dissatisfied: 30.9%
- Somewhat Satisfied: 36.8%
- Satisfied: 23.5%
- Very Satisfied: 2.9%
BUDGET SIZE

Takeaway

The majority of budgets in 2017 (25.8%) are between $1,000 - $50,000. The next most popular budget size is $300K - $500K at 16.1%. Finally at 14.5%, the budget size ranges from $500K to $1M or no budget at all.

Budget Size Ranges:

- $1,000 - $50K: 25.8%
- $50K - $100K: 1.6%
- $100K - $300K: 6.5%
- $300K - $500K: 16.1%
- $500K - $1M: 14.5%
- $1M+: 21%
- No Budget: 14.5%

TOP CHALLENGES TO GETTING A LARGER BUDGET

Why is the budget not where it needs to be?
Top Learning Budget Challenges Include:
Defining and Measuring ROI to justify budget expenses or propose increase: 17.6%
Not enough budget to cover needs, invest in right tech: 8.8%
Budget Allocation: 7.3%
Not Enough Resources (talent/internal staffing): 13.2%
Defining priorities: 2.9%
Leadership Buy-in: 4.4%
No budget: 2.9%
High costs of tech: 4.4%

Implications
Everyone wants a bigger budget, but when it comes to L&D it’s not that simple. It’s an industry where ROI is difficult to measure precisely, and the technology to do so is still being developed. How should leaders handle this challenge? Should they look for ways to create buy-in from management? Should they move away from expensive learning modules that aren’t personalized to learners? Should they diversify their portfolios with the money they already have?

THE PERCEPTION OF LEARNING AND DEVELOPMENT
This section covers the perception of how the L&D department is seen within a company.

How important is L&D at your company?
Not at all Important: 4.7%
Not Very Important: 20.3%
Somewhat Important: 31.3%
Fairly Important: 31.3%
Very Important: 12.5%

How important is learning and development to your employees?
Not at all Important: 6.3%
Not Very Important: 7.8%
Somewhat Important: 26.6%
Fairly Important: 45.3%
Very Important: 14.1%
IMPLICATIONS

• It’s a bigger deal to employees than leaders think it is. Gallup tells us that “Millennials fundamentally think about jobs as opportunities to learn and grow. Their strong desire for development is, perhaps, the greatest differentiator between them and all other generations in the workplace.”

• Learning leaders believe that leadership does not place as high of importance on learning and development. For learning and development to work, leadership needs to shift this mentality and place time in helping to align learning initiatives to company wide goals.

WHERE DO WE GO FROM HERE

Learning and development leaders share what they think needs to change in the industry.

In your opinion, does anything need to change to improve the effectiveness of learning and development as a whole? (If yes, explain what)

Yes: 79.7%

No: 20.3%

Some Yes’s said: (starred content was most popular)

More budget*, front line leaders reinforcement, consistent learning strategy, better LMS/ shift to new learning tech*, more resources, company culture, leadership buy-in*, employee perception of training, more customization, Working to shift our learning strategy from “pushing content” to a mindset of ‘continuous learning’ that is driven by the employee, changing to cloud tech, focus on ROI*
IMPLICATIONS

• Leadership buy-in is so important to the effectiveness of an L&D department. Budget. Comms. It’s a strategic tactic, not a vague homework assignment.

• Customization of learning better investment scale than generic learning. It’s like investing in a really good car, and not the cheaper version that doesn’t have a warranty.

• The shift in technology will dramatically change the industry. We project that cloud technologies that integrate into all types of delivery mediums is the wave of the future.

TAKEAWAYS.

We wanted to add in some additional takeaways for readers based on this year’s survey findings.

We encourage learning and development teams to rethink their budget allocation in a number of ways.

It was coined by Einstein who said that insanity is doing the same thing over and over again and expecting different results. Your learning and development initiatives are no exception. If you’ve been getting the same results, it’s time to try a new delivery method. Maybe that means exploring microlearning, gamification, or moving your training to mobile. Maybe that means rejuvenating your learning content to be more relevant to your employees. Maybe that means investing in multimedia and custom elearning that is tailored to your company’s needs and ditching the old, outdated, generic elearning you have.

Maybe it means having a conversation with leadership to help align your initiatives to the larger goal. Whatever it is, it involves trying something new.
More resources for 2017’s top three skill focus areas.
Our team has 3 in-depth guides for this year’s top skills.
Learn more about teach topic in the links below.

Sales Training
Onboarding
Leadership

Skills You Need In 2017 To be An Effective Learning Leader

Top traits named (in order of highest ranking) were:

Leadership buy-in/support Adaptability
Alignment to Business Goals/Results Strategy
Learning engagement
Creativity
Implementation
Flexibility
It’s a critical time for L&D leaders to step up and devise winning learning strategies that their staffers will truly value and apply in their daily tasks. Whether facing a management challenge, striving to meet aggressive sales goals, or working within budget constraints, every dedicated manager has the capacity to get creative and make learning a high priority.

If your company needs guidance achieving a learning goal, reach out to ELM at info@elearningmind.com or call us 646-798-9637.
APPENDIX.

- Study was conducted all online between December 16, 2016 - January 15, 2017
- Participants were at various job levels ranking from manager to senior level

- U.S. based with a few international participants

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<th>Percent</th>
<th>Count</th>
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<td>Business / Professional Services</td>
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<td>6</td>
</tr>
<tr>
<td>Business Services (Hotels, Lodging Places)</td>
<td>3.5%</td>
<td>3</td>
</tr>
<tr>
<td>Computers (Hardware, Desktop Software)</td>
<td>4.7%</td>
<td>4</td>
</tr>
<tr>
<td>Education</td>
<td>4.7%</td>
<td>4</td>
</tr>
<tr>
<td>Finance / Banking / Insurance</td>
<td>8.2%</td>
<td>7</td>
</tr>
<tr>
<td>Food Service</td>
<td>3.5%</td>
<td>3</td>
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<tr>
<td>Healthcare / Medical</td>
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<td>19.2%</td>
<td>16</td>
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About ELM

ELM is a creative design agency focused on creating digital learning experiences for the world’s largest brands. ELM provides custom eLearning design and development, learning design consulting, and instructional design consulting. The company uses a methodology called neurolearning. By focusing on science-based approaches to learning and incorporating strong visuals, branding, and user experience principles, companies that partner with ELM are able to develop learning strategies and deliver content that results in employee comprehension and behavioral change. With digital learning that results in higher engagement and retention, ELM helps businesses solve their most challenging problems.