CYPHER Learning

*The state of corporate learning and development in 2023*

# L&D STUCK IN THE MIDDLE

**Employers** and **employees** don't see eye-to-eye on the definition of meaningful training, and it's creating a predicament for L&D.

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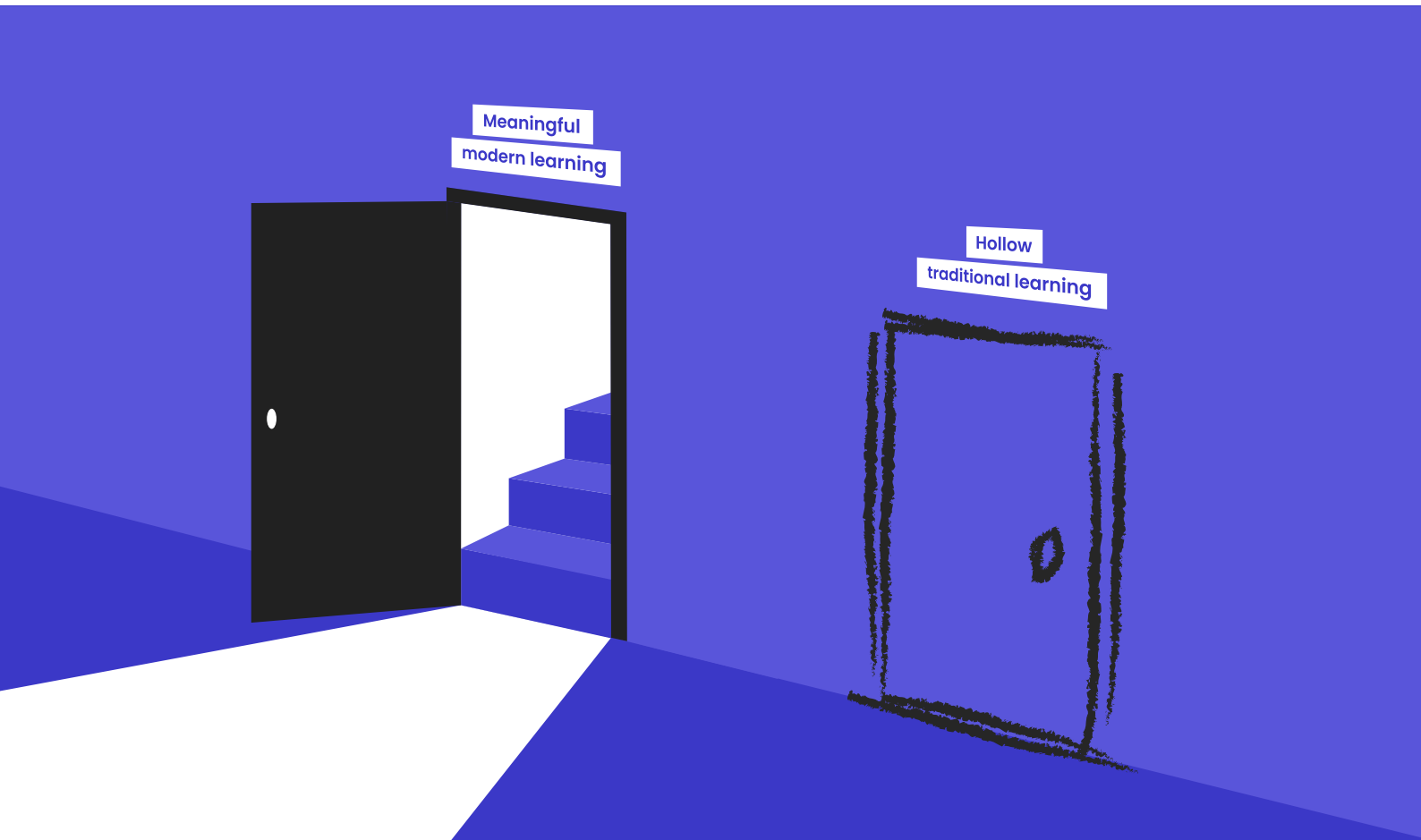
# Introduction

A new international survey commissioned by CYPHER Learning reveals **a discrepancy in the way training is perceived by employees versus the C-suite:**

**Employees crave personalized, meaningful training while leadership tends to consider training a box-ticking exercise**. This is putting learning and development (L&D) in a difficult position – they're **desperate to deliver training that is strategic to the business and impactful to employees**, but they lack the resources and executive support to make it happen. The following report outlines the key findings.

## Competitive advantage starts with modernized training

What does it take to compete effectively in today's marketplace? At the top of the list has to be **building and maintaining a best-in-class team** with the right talent and expertise, and a commitment to win. But achieving this ideal is more challenging than ever before with digitalization expediting the pace of business to breakneck speeds. New opportunities, competitive threats, and evolving workplace models are **forcing companies to rethink their talent acquisition and retention strategies** and the expectations they set for their employees.



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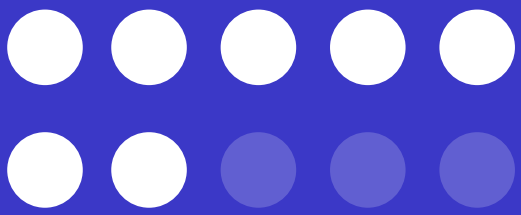
Unfortunately, those strategies and expectations don't always come hand-in-hand with the training employees need to help them rise to the occasion.

## This skills gap results in three painful consequences for employers:

- **Businesses can't respond or adapt** to market conditions with the speed or quality performance it takes to compete.
- **Employees become frustrated** and demotivated and, ultimately, leave their jobs to go elsewhere.
- **Hiring managers scramble** to fill the skills gaps and back-fill departing employees by paying a premium in consulting and recruitment fees.

More resourceful and forward-thinking companies try to prevent these outcomes through employee training, leaning on their L&D teams to upskill and reskill existing staff, and onboard new employees as quickly as possible. But the extent to which this **skills development strategy can be successful depends entirely on the infrastructure and resources available to corporate trainers**. Clunky, legacy L&D systems inhibit trainers' ability to implement effective, engaging training programs at scale. **The only way to truly conquer the skills gap is by modernizing the learning environment and personalizing the learning experience** – and this requires support from leadership.

According to Gartner[1]



**70% of employees** report they **do not have mastery of the skills** they need to perform well in their jobs.

CYPHER Learning commissioned international market research consultancy Censuswide[2] to conduct a **survey with more than 4,000 workers**, **from business owners and C-level executives to entry-level employees**, in the United States and United Kingdom to better understand how training impacts the workplace, employee satisfaction and retention, and, ultimately, corporate growth and success.

[1] Gartner, Reskilling Strategy Staff for the Future (gartner.com), 16 May 2022

[2] Censuswide, https://censuswide.com

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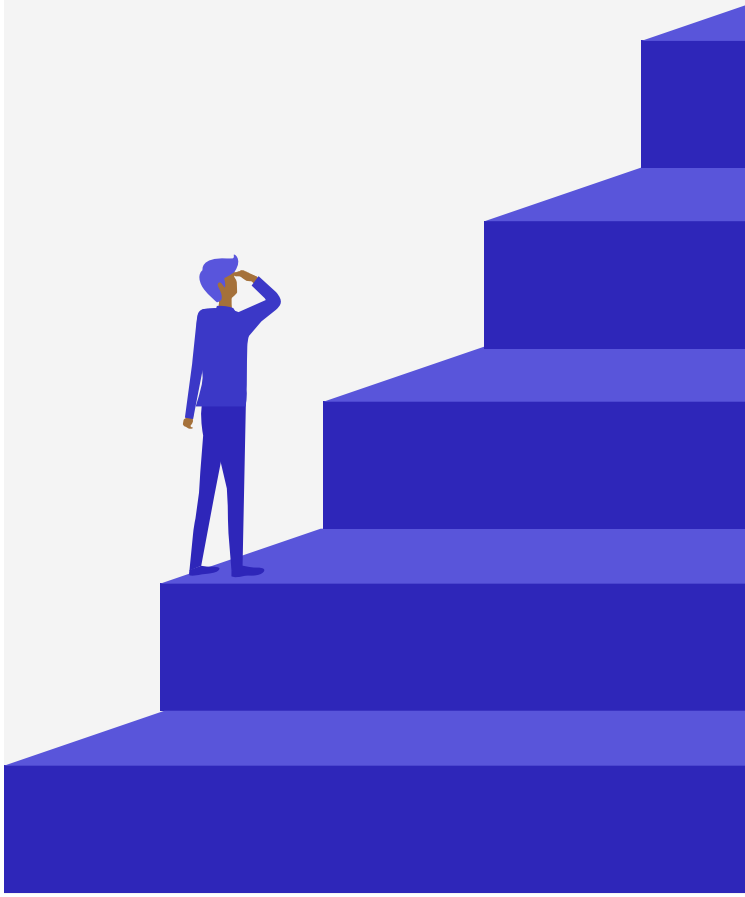
# It's not all about the money, **training can make the difference**

"Two-thirds of respondents agreed that professional development has given them a competitive advantage"



Companies that think recruiting top talent only means doling out big salaries and bonuses are overlooking one very important fact:

**Professional development matters.** Employees want to grow in their careers, and they value training that helps them acquire the technical and soft skills they need to do so:

- **98%** of all respondents agree that **workplace training is important**.
- **84%** believe that **overall training** is relevant to their jobs.
- And **78%** want more **training linked to their skills requirement**.

**Just how important is training to prospective employees?** When asked what benefits workers would prioritize most in looking for their next job, **training ranked high on the list**, tying with **health and wellness benefits (86%)** and sitting just slightly below a **flexible work environment (87%)**. It's why nearly half of respondents said one of the first questions they ask about in job interviews is whether the company offers some sort of training opportunity.

## Of course, training also plays an essential role in employee retention:

- More than three-quarters of employees **(77%)** said they are **more likely to stay** with an employer that **prioritizes training and development**.
- And **71%** of respondents note that a company that **doesn't invest** in training and development **doesn't care about its employees**.

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# From Boomer to Z, we all want to be **part of the learning generation**

**Among the most notable takeaways from the research: Training is valued at every age.** Respondents from both Generation Z and Baby Boomer demographics share similar attitudes toward training, **with 97% firmly stating they believe training is important**.

When it comes to new training methods, like augmented reality (AR) and virtual reality (VR), 72% of 16-to-24-year-olds are excited by the prospect of using these innovations, versus 46% of those ages 55+. **This discrepancy is likely due to younger employees being early adopters** of technologies like AR and VR in other aspects of daily life and, therefore, more experienced and comfortable with them, especially as the technologies grow in popularity. **Older employees may not have been exposed to these types of tools before** and aren't yet familiar with their ease of use.

Unfortunately, despite significant support for training — and the sentiment shared by 76% of respondents that **learning should be a lifelong activity** — employees often aren't receiving the training they want and need at frequent and recurring intervals. Overall, more than 20% of employees have not received any training at all in at least 12 months. And it was slightly higher for those ages 55+ and up, with 27% reporting they did not receive training over the past year.

This represents an **opportunity for companies to develop and retain an even larger percentage of its workforce simply by reskilling or upskilling** them with a strong training program that aligns with current business needs.

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# "Ticking the Box" on training is up for interpretation

Of course, what qualifies as good training is open to interpretation, which means **some companies offer a much more robust program than others**. **More than half of survey respondents (52%) believe training to be a "box-ticking" exercise at their company** – in other words, their companies offer some type of training (e.g., posting materials on a central server or purchasing subscriptions to third-party content sources), but there is room for L&D to improve:

- 31% of respondents believe **they are not prepared for future skills** changes.
- A quarter of employees **didn't see the business value behind L&D training** and felt it was repetitive.
- One in 20 employees say they have received **no benefit from the workplace training** they have received.
- And **only 12% prefer their current training** program as-is.

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**Respondents suggested the top three opportunities for improvement are to make training:**

**41%**
More training tailored to their jobs

**39%**
More fun and engaging training

**33%**
More personalized to their needs

33% of respondents stated they had forgotten their training only a month after completing it.

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The call for more tailored training directly reflects employees' desire to excel in their current position.

**Specifically, respondents cited the following goals for participating in training:**

- To help **build the skills** I need (45%)
- To help **perform my job better** (45%)
- To **improve the quality** of my work (39%)
- To advance to a **new role or get promoted** (17%)

**Lack of tailored training makes employees feel stuck in their current position**

# Flexibility is essential

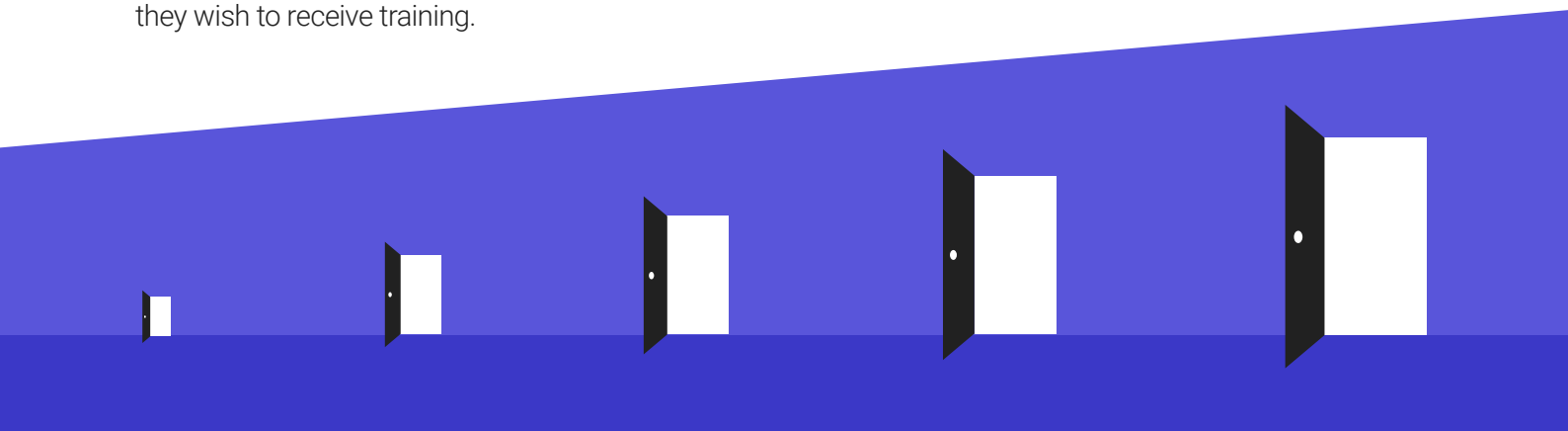
The changing face of today's workplace is also impacting employees' views of what makes an ideal training environment.

**The options available to them vary:**

- 76% are offered hybrid training – access to both in-person and online training.
- 56% are currently offered on-demand training via a portal.

But respondents said despite the range of training options available on the market as a whole, only 53% are given a choice as to how they wish to receive training.

**This reinforces the need for flexibility**, as more than one-third of respondents **(35%) feel training is too structured and that they can't do it at their own pace**. Given a choice, employees expressed a slight preference for offline versus online training, though they stated online training courses (82%) and online training portals (81%) were nearly as effective as in-person learning (86%).



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# Bring back the fun in learning

One of the biggest criticisms of current training programs: **They're not fun!** 42% of respondents believe workplace training is boring and unengaging. And 31% went a step further, stating **formal training takes the fun out of learning altogether**.

The good news is the **appetite for training still exists**, with an overwhelming 77% of respondents stating that **training should be fun and not a chore**. The solution to better captivating them may exist in new technologies purpose-built for creating and administering more personalized and engaging training programs. Historically, PowerPoint has been the format of choice for building and sharing educational content, but it has left an indelible – and negative – impact on how people perceive training: **36% of respondents view training to be "death by PowerPoint."**

But new innovations are changing that perception, and employees are willing to embrace these advancements if the **technologies can provide better personalization and, accelerate learning in a more fun environment**. 67% agree technologies like gamification, AR and VR and more would make workplace training much more fun.

Only 15% of respondents thought their current training was fun or enjoyable

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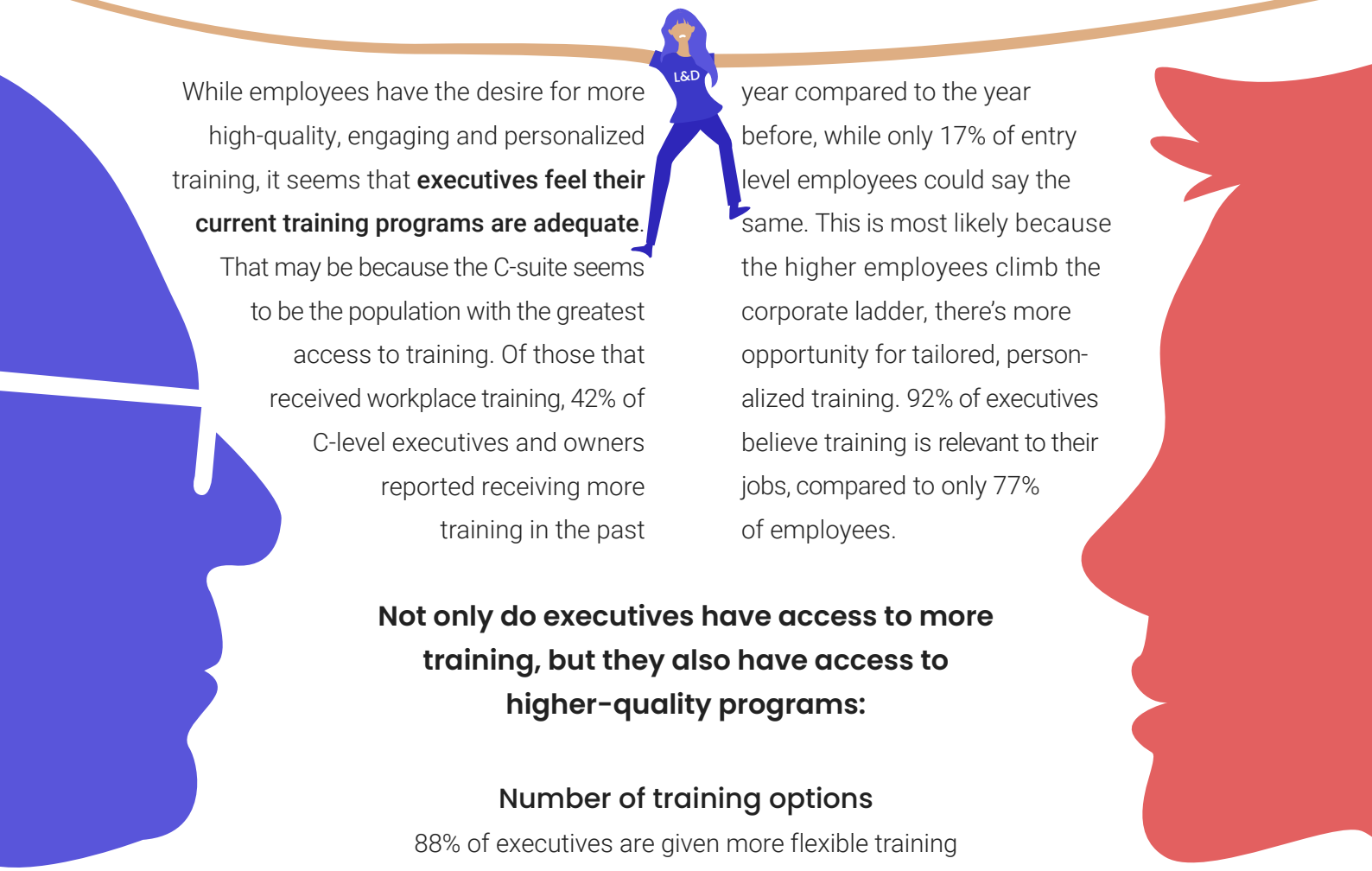
# The great training divide: C-suite vs employee




While employees have the desire for more high-quality, engaging and personalized training, it seems that **executives feel their current training programs are adequate**. That may be because the C-suite seems to be the population with the greatest access to training. Of those that received workplace training, 42% of C-level executives and owners reported receiving more training in the past year compared to the year before, while only 17% of entry level employees could say the same. This is most likely because the higher employees climb the corporate ladder, there's more opportunity for tailored, personalized training. 92% of executives believe training is relevant to their jobs, compared to only 77% of employees.

**Not only do executives have access to more training, but they also have access to higher-quality programs:**

### Number of training options

88% of executives are given more flexible training options compared to 37% of employees.

### Training is enjoyable

Executives are almost 3X more likely to call training "enjoyable" than their employees.

### Training is a chore

While executives believe training is enjoyable, they are also more likely to view it as a chore. 64% of executives believe training is a chore compared to 24% of employees.

# Training is a competitive advantage, but **modernization is essential**

Despite these discrepancies, the majority of respondents, **nearly two-thirds (64%), agree the right professional development program boosts their competitive advantage** – a sentiment shared by 80% of owners and C-level executives. What's really at issue is the definition of the "right program." Executives may think their company is fulfilling its obligation by offering box-ticking-caliber training via PowerPoint slides or on antiquated systems, but employees have an entirely different view. **They long for meaningful training that is fun, engaging, personalized and impactful.** And across too many companies, it's up to L&D to try and somehow bridge the gap. **A learning platform purpose-built to deliver modern, personalized learning experiences at scale can make all the difference,** empowering L&D to turn training into a competitive advantage and unleash employee potential across the organization.

# Survey Methodology

CYPHER Learning worked with **independent surveyor Censuswide to survey 4,000 workers** – from owners and C-level executives to entry level employees. Censuswide surveyed 2,000 employees from the United States and 2,000 from the United Kingdom **to better understand their attitudes toward workplace training and learning development**. The findings have been validated by Censuswide.

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# About CYPHER Learning®

CYPHER Learning is the AI-native platform built to power modern training operations. Organizations use CYPHER to rapidly create, manage, and scale commercial-grade training across employees, partners, customers, agents, franchises, and members. By combining AI-powered content creation, orchestration, and personalization in one integrated platform, CYPHER helps organizations move faster and achieve stronger business outcomes.

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