

## Looking Forward: The Learning & Development Industry in 2006

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Each year brings with it a mix of new potential challenges and solutions for chief learning officers everywhere. With 2006 upon us, IDC asked Chief Learning Officer magazine's Business Intelligence Board which areas of the learning and development industry it expects to have the greatest and least impact over the next 12 months. Results show that while there are some topics most can agree upon, a number of issues remain divisive, if not downright volatile.

### **Instructor-Led Training: Significant Impact in 2006**

Participants were provided with a list of training-related activities and topics and asked to rate the impact each topic would have on their companies in 2006. ([See Figure 1.](#)) Instructor-led training received the highest net impact score and led all delivery-related topics as well. While much attention has been focused on e-learning technologies, it is clear that most respondents still see traditional classroom-based training as the delivery method with the greatest impact on their companies this year.

Respondents provided a variety of explanations for ILT's expected high impact. Many cited the common face-to-face benefits, such as enriched interactions between learners, peers and instructors, the level of content detail, reduced distractions, and the ability to share experiences and network with colleagues. Others stated that the classroom was the best venue for the type of content being taught.

This is not to suggest that there has been a backlash against e-learning, because it also appears high on the list. Most respondents were clear that they see instructor-led training as a key ingredient in their overall blended training strategy. As one respondent indicated, "Instructor-led training, blended with follow-up online training, is emerging to be the cornerstone of our training philosophy."

Leadership training, selected second overall, led all content-related topics on the list. As the economy improves, many companies are looking to grow their organizations and will need to provide leadership training as a greater number of employees assume management roles. Many respondents cited the fact that a number of leaders among the executive ranks are expected to retire soon, so it is necessary to prepare those who will be taking the leadership reins within the organization. Still others cited the correlation between good leadership and overall employee retention. With the economy improving, many companies see leadership training as a strategic means of retaining talent.

Informal learning was selected third overall as having the highest impact on training in 2006. The U.S. Department of Labor reports that informal learning accounts for 70 percent of the learning that employees do on the job. As such, many respondents expect it to have significant impact in the coming year and are not unlike an increasing number of organizations that are looking to support the way their employees learn informally at work. This will include the adoption of a range of informal learning strategies, such as electronic performance support systems (EPSS), improved search capabilities, action learning groups and mentoring.

At the other end of the spectrum, respondents expect video-on-demand to have little

impact on training in 2006. Similarly, respondents rated IT and non-IT certification low on net impact for the coming year.

### **More Attention to Measurement**

Nearly one in five respondents felt that the topic of measurement deserved more of the industry's attention in 2006. ([See Figure 2.](#)) The answers varied in range from analytics to performance dashboards to ROI to needs assessments, but in the end, it is clear that measurement is an area where training professionals would like to see greater focus in the future. As one respondent said simply, "Measuring performance is critical."

If 2006 is going to be the breakout year where training proves its impact on business, then there is no question that measurement is going to be a crucial component. Many respondents expressed the need for greater industry examples and proven methodologies for accomplishing successful impact studies. As one respondent stated, "We need to see more ways to assess how training teams are impacting bottom lines and company performance."

The topic of succession planning was the second area survey participants felt the training industry should be paying more attention to in 2006. As corporations look to beef up their bench strength in order to address the impending retirements of their executive ranks, their training departments are charged with developing those who are "in waiting" so they'll be ready to step in and hit the ground running when called upon. To do so successfully, however, requires a multi-faceted approach that identifies company top-performers, assigns backup personnel for key positions, and develops processes that help capture valuable institutional knowledge before it is lost to retirement. One respondent's comment summed up the general consensus: "Once the current generation leaves the workforce, corporate America will have few highly skilled leaders with the adequate knowledge to lead businesses in this global market."

### **Less Attention to E-Learning and ROI**

Similarly, the Business Intelligence Board was asked to list which areas it felt the training industry was giving too much attention. Nearly one-third of respondents indicated that the topic of e-learning could get less of the industry's attention in 2006. While recognizing the benefits e-learning technologies can provide, it was clear from respondents' comments that some in the training industry are tiring of e-learning's cure-all perception. Responses ranged from the exaggerated, "I've never seen it succeed. It bores people to death," to the more moderate, "Don't get me wrong, we couldn't survive without e-learning, it is just not the end-all solution to all problems." In general though, popular opinion recognized the demand and applicability of an electronic delivery method, but sought to emphasize that it is not the ideal solution for all training scenarios or situations.

Return on investment (ROI) was another area that respondents felt the training industry has given too much attention. While seen by some as training's holy grail, a significant number of the Business Intelligence Board felt that too much has already been said on the topic. The general sense was that while well-intentioned, the ROI movement has gone from seeking an effective means of measuring training's impact to a pure cost-cutting activity with little strategic value.

### **Biggest Pet Peeve: Perceived Poor Image**

Respondents offered a variety of topics when asked to reveal their top training-related pet peeve. (See Figure 3.) However, the overall perception of the training industry received the largest number of mentions. More than a third of respondents expressed frustration with the overall perception of the industry and a lack of understanding about training among senior management. As one respondent commented, "Without a strong executive championing training, training will remain in a LIFO (last in, first out) position. Employee development and retention are the only viable way to grow through productivity in next decade."

Finally, the CLO Business Intelligence Board was asked to gaze into its proverbial crystal ball and provide two predictions for the training industry in 2006. (See Figure 4.) Responses were varied and spanned many aspects of the training profession. The two most popular predictions saw continued demand for e-learning and continued growth for outsourcing over the next year. Interestingly, and indicative of the polarized view that exists among the Business Intelligence Board members, both subjects also appeared high on the list of topics that received too much attention in 2005.

### **The Outlook for 2006**

Not that a consensus is ever to be expected, but there are clearly some areas within training where respondents are in closer agreement than others. A majority expects instructor-led training, leadership training and informal learning to all have a significant impact on their companies in 2006. However, there is less agreement on the impact that e-learning, measurement and training outsourcing will or should have over the next year.

An easy conclusion one could make based on the results of the survey is that the training industry is in a bit of flux. Certainly there is evidence of enough conflicting opinions to support such a statement. However, another possible conclusion that can be drawn from these responses is that the industry is in fact maturing. For example, the late adopters of learning technologies who have been waiting on the sidelines for e-learning to show its value are now entering the market at the same time as the early adopters of such technologies are realizing the importance of a blended model. As both groups come to agree on the complementary nature of instructor-led training supplemented by e-learning (or vice versa), the industry will begin to shift its focus to other matters, such as measurement and strategic alignment. This will prove to have a positive effect on the perception of the industry overall.

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