eBook

Trends to Watch 2023: A Look Ahead at the Learning Industry

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2023 Trends

1   In preparation for a looming recession, executives will re-evaluate their learning and talent strategies to **do more with less.**

2   To remain competitive, companies will need to **understand, assess, and utilize all skills** in employees' arsenals.

3   To facilitate efficient growth, HR leaders will work to **pare down their tech stacks**.

4   HR leaders will **tailor talent strategies** to accommodate remote and hybrid work.

5   Employers will make big changes to retain and **engage their deskless workforces**.

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Overview

2022 had no shortage of challenges for businesses to address. While many governments relaxed COVID-19 regulations, political upheaval in Europe led to inflation and spikes in oil prices that are sure to reverberate through 2023.

Here at SumTotal, we want to help guide you through the opportunities and tests ahead.

After analyzing the market, we've selected five trends we believe will play a key part in learning and talent development in 2023.

1: In preparation for a looming recession, executives will re-evaluate their learning and talent strategies to do more with less.

Trend Breakdown:

You've seen it a million times while scrolling through your phone: We're headed for a recession.

In October, KPMG published its 2022 CEO Outlook, which stated that more than 8 out of 10 CEOs anticipated a recession over the next 12 months. While more than half of respondents said they expected the recession to be "mild and short," it's still prudent to have a contingency plan in place —especially since Gartner predicts that organizations will face a "triple squeeze" of inflation, continued supply chain issues, and talent scarcity in the coming year.

How You Can Prepare:

Manage Talent Creatively

The end of the year is an appropriate time for HR teams to identify where they may need to turn lemons into lemonade. This will involve assessing what organizational areas are most likely to be affected by a recession and then determining how to mitigate the impact. For example, some firms are disbanding departments in favor of using an "expert approach" wherein specialists are embedded into different teams, while companies that are focused on cultivating a top-down approach could invest in manager training — after all, more developed managers lead to more efficient and engaged employees.

Upskill, Upskill, Upskill

McKinsey & Company recommends building resilience by closing gaps in talent pools. Upskilling is a way to help companies maximize knowledge and performance within their current workforce, thereby circumventing the challenges associated with hiring externally or farming out work to third parties. To trim the financial fat, why not cut down on agency services and invest in the employee training required to bring certain projects in house? Keep in mind that overburdening employees may result in burnout, so it's important to establish achievable goals and maintain manageable workloads as roles change.

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2: To remain competitive, companies will need to understand, assess, and utilize all skills in employees' arsenals.

Trend Breakdown:

It's been said countless times before: Companies are struggling to fill their skills gaps. This issue is compounded by the rapid pace of technological evolution, which requires organizations and employees to be nimble and flexible — in fact, Gartner found that 33% of the skills in an average 2019 job posting will be obsolete by 2024. As such, businesses will need to take a holistic approach that avoids dismissing prior jobs as irrelevant and instead views every skill in an employee's arsenal as potentially valuable.

How You Can Prepare:

Invest in Talent Intelligence

"Talent intelligence" refers to the practice of collecting and analyzing talent pool data to optimize a company's workforce. Although HR teams will often do this manually, providers like Lightcast can equip teams with real-time, global skills data at their fingertips. With this competitive data informing their skills inventory, HR teams can make more informed hiring and promotion decisions.

Explore New Candidate Pools

To fill job openings and increase employee diversity, many companies are following in Google and Apple's footsteps by de-emphasizing and even dropping college degree requirements. Additionally, apprenticeships and returnships are becoming increasingly common in the corporate world. Thanks to these changing parameters, the skill set you need for your project might be closer than you think. With this in mind, why not create a talent marketplace (in other words, an internal job board) where your employees can explore available projects in different departments?

3: To facilitate efficient growth, HR leaders will work to pare down their tech stacks.

Trend Breakdown:

In his 2022 HR Tech conference keynote, Josh Bersin noted that HR professionals are facing the "kitchen drawer" problem of many tools with no connections. It seems that in our quest to find a tech solution for every business hurdle, we've made things more complicated — and complexity is the enemy of efficiency. With financial pressures predicted to mount for many companies in 2023, executives will be forced to emphasize the platforms that can deliver a clear ROI over the next 12 or 24 months. Beyond this short-term time frame, leaders will be planning for the more distant future by calculating how tech innovations and the future of work (e.g., artificial intelligence, labor automation, and virtual reality) can impact their business.

How You Can Prepare:

Create a Cohesive Ecosystem

Since employees already use so many platforms, it's important to meet them where they are rather than introducing yet another addition to the tech stack. With tools like the SumTotal Intelligence Assistant (SIA) for Microsoft Teams, employees can launch learning activities directly in Teams to engage with assigned trainings, search keywords, or share learning activities with colleagues. Because employees are already hyper-aware of collaboration tools like Teams, using this platform as a learning portal will feel like a convenient and natural part of their workflow.

Don't Stress, Assess!

While the prospect of examining your whole HR ecosystem may feel overwhelming, this is a vital step toward optimizing your team and promoting growth. To determine which platforms are most (and least) effective, you'll need to take a step back and assess how your people, processes, and technologies interact. If you're looking to dig deeper, why not assess your company's digital maturity via the SumTotal Organization Maturity Index? In addition to showing you where you stand, this assessment will help you chart a clear path forward.

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4: HR leaders will tailor talent strategies to accommodate remote and hybrid work.

Trend Breakdown:

When the COVID-19 pandemic began, media outlets offered myriad recommendations for managing remote teams — the majority of which were framed as Band-Aid solutions to tide companies over until everyone could return to the office. Nearly three years later, many organizations have acclimated to the new normal of remote and hybrid work, and it's time for their talent strategies to catch up. In practice, this means creating talent strategies appropriate for a full range of employees, from those who prioritize in-person interactions to those who would be happy to never set foot in an office again.

How You Can Prepare:

Evaluate Employee Engagement

At the height of the pandemic, hastily retrofitting pre-existing strategies for remote use was the name of the game. With remote and hybrid work now firmly established as a new normal, you can start fresh and build for the future by taking stock of how your employees feel. Try to collect as many data points as possible by analyzing metrics such as attrition rates, productivity, promotions, and other KPIs in addition to conducting a traditional employee engagement survey. According to a Society for Human Resource Management (SHRM) study, 59% of employees believe working remotely on a permanent basis will diminish networking opportunities. Do your employees share this sentiment? If they do, how can you encourage digital networking?

Redefine Culture as "Investment"

You could say the past few years ushered in the "death of the ping-pong table." While company culture once revolved around a swanky office setup and free snacks, HR teams must now rally employees around a different cultural center in light of diminished office attendance (and, in some cases, no brick-and-mortar presence at all). Remote environments have proven to be ripe soil for employee burnout, with a literature review from Alliance Virtual Offices finding that remote employees work nearly 50% more overtime than their in-office counterparts,

so it's especially important for HR teams to demonstrate how much they value employees via tailored benefits and opportunities for career development.

5: Employers will make big changes to retain and engage their deskless workforces.

Trend Breakdown:

From working through a pandemic to dealing with increasingly difficult customers, the barrage of issues facing frontline workers has led to record levels of stress and burnout. This mental exhaustion is so overwhelming that 45% of such workers are considering leaving the front line altogether — which, needless to say, is an extremely concerning statistic. After all, where would we be without folks working in food service, hospitality, healthcare, transportation, and retail? To avoid mass resignations on the front line, it's time to change the narrative.

How You Can Prepare:

Offer Flexible Scheduling

Unlike office-based workers, frontline staff are accustomed to working unpredictable shifts at all hours of the day and night. It stands to reason that trying to arrange their personal lives around a job that's physically, mentally, and logistically demanding has become too much of a burden for many employees, which makes smart shift scheduling a key part of attracting and retaining frontline workers. Ultimately, scheduling that is flexible — or, at the very least, predictable — allows workers to feel more in control of their lives.

Enable Career Mobility

For hourly workers on the front line, lack of career growth is the No. 1 reason for employee turnover. To address this, organizations can offer personalized career development plans that help employees see both the options available to them and the skills they need to get there. It's also worth noting that during a labor shortage, the internal talent marketplace is particularly valuable — yet due to a phenomenon that McKinsey calls "The Advancement Gap," 65% of frontline workers say they're not sure how to advance their careers. So, where is the disconnect? Simply put, frontline workers are highly motivated and crave new opportunities, but their

employers think they're more concerned with intangible benefits like recognition. To boost retention and satisfaction within the workforce, help your employees develop a clear roadmap toward career development and mobility.

The bottom line:

As 2023 approaches, companies will need to:

- Do more with less.

- Embrace every skill in their employees' arsenals.

- Pare down their tech stacks.

- Tailor talent strategies to accommodate remote and hybrid work.

- Facilitate flexible scheduling and mobility for deskless workforces.

To learn more about how SumTotal can help you meet these trends head on, **click here**.

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About SumTotal

SumTotal, part of Cornerstone, provides a unified, comprehensive Learning and Talent Development suite that delivers measurable impact across the entire employee lifecycle.

With SumTotal, organizations can build a culture of learning that is critical to growth, success, and business sustainability. SumTotal's award-winning technology provides talent acquisition, onboarding, learning management, and talent management solutions across some of the most innovative, complex, and highly regulated industries, including technology, airlines, financial services, healthcare, manufacturing, and pharmaceuticals.

SumTotal partners with many leading global organizations, including a number of Fortune 500 companies. SumTotal's Talent Development suite supports learning and talent management initiatives for their customers and offers measurable impact across the entire employee lifecycle.

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