



# Learning into the Future

FoW by HSM Insights Report

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# Introduction

**For over twelve years, the Future of Work by HSM has explored trends shaping industries, organisations and careers.**

Recent trends in ways of working have highlighted the importance of learning in supporting personal development and closing the skills gap as technology and automation fundamentally change the way we work. Our research shows, that although there are a number of challenges in building a future-focused L&D strategy, learning has become a critical lever for attraction and retention, engagement, social connection and a great work culture.

**This Insights Report will provide you with actionable guidance on how to tackle these challenges and start building a solid framework for reimagining learning within your organisation, preparing your people to succeed in an ever-evolving landscape.**

## **Our methodology**

The insights contained in this report are drawn from our analysis of 9 interviews and 4 focus groups, including over 60 participants from 40 organisations. These insights were combined with HSM Advisory's *Learning into the Future* Masterclass event, and quantitative data in the form of polls, gathering a total of over 1,200 responses. In addition, we undertook a thorough literature review.

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# Key insights



## Ensure your leaders are role models of continuous learning

Leaders are role models for the organisation's culture and values.<sup>1</sup> If they do not prioritise learning, it sends the message that it is not important. To promote a learning culture, ensure leaders provide feedback and coaching, promote psychological safety, and celebrate learning achievements.



## Think about how humans and machines can bring out the best in each other

Technology can augment our cognitive work, and make learning more efficient, cost-effective, accessible, and engaging. But it is important to think intentionally about how best to use this tool in learning to ensure you are getting the full benefits of both technology and human connection.



## Take a skills-first approach to evaluating talent

L&D can drive equity by increasing opportunities for your people, helping combat systemic challenges, and building psychological safety. Think about potential not pedigree, reducing reliance on degrees to reach a more diverse talent pool.



## Look at skilling as a positive retention tool

Demographic shifts and the rapid pace of change have made opportunities to learn and grow a priority for people. To attract and retain talent, look at skilling as a way to offer opportunities for internal mobility.<sup>2</sup> Organisations that are not thinking intentionally about skilling will find attrition rates increasing.<sup>3</sup>



## Engage stakeholders at all levels to embed learning in the flow of work

Culture operates across all levels of the organisation, including individual, peer, leader, community and ecosystem. We need to engage stakeholders at each of these levels to disrupt the status quo and shift to a culture of learning that embeds L&D directly into the fabric of the organisation.



## Remember that future skills are human skills

It is the skills that are uniquely human that will help people leverage new technology and increased automation whilst thinking creatively, working collaboratively, and communicating effectively.

# Why is learning a priority now?

## Macro trends are impacting the way we work...

Converging major world events mean we are in a tight **labour market** and an **economic recession**.<sup>4</sup> This unique context has presently shifted power into the hands of the employee, and opportunities to learn and grow have become a major priority.<sup>5</sup>

However, **workload is increasing**,<sup>6</sup> so people often feel pressured to prioritise work tasks over learning activities.

Demographic shifts are adding more complexity to the way we view learning. As **working lives are now lasting longer**, older workers are increasingly changing roles or switching careers.

## ...and technology is accelerating change.

Technology is more integrated in our daily lives, changing how we experience the world, while automation is reducing and changing jobs.

This is impacting the way we consume, the way we work and the way we learn, and **L&D teams are exploring how they can utilise tech and digital opportunities**.

## Macros trends are impacting learning



### Tight labour market

People may be changing jobs for better opportunities, making L&D a powerful attraction tool.



### Economic recession

People are needing to upskill or reskill to remain competitive in challenging times.



### Workload is increasing

New ways of working established after Covid mean people are spread thin, leaving less time for learning.<sup>7</sup>



### Working lives lasting longer

People are living and working longer, so are reskilling and upskilling many times as their skills become obsolete.

## Technology is transforming the way we learn



### Metaverse and VR

Virtual immersive environments that are interactive and scenario-based, helping people explore, experiment and collaborate.



### Augmentation

Tech that minimises human input or simulates human intelligence to provide personalised, engaging learning.



### Nano and Micro learning

Bite-sized tutorials, accessible anywhere, anytime, democratising learning with flexible, modular content.



### MOOCs

Massive Open Online Courses. Open to anyone, making learning accessible, affordable, diverse, and flexible.

# Why is learning so complex?

Learning is a complex topic because people have different motivators for learning as well as individual ways of learning, so organisations require multiple options for how to deliver learning. This complexity can lead to a number of challenges when developing a robust L&D strategy.

## Motivators

People have different motivators to learn, which will depend on their life stage and industry. These motivators will have an impact on how relevant, effective, and engaging learning strategies can be. These motivators could include:

Personal enrichment



Job opportunities



Financial reward



Tech advancement



Additional job skills



Regulatory



## Learning styles

People have different strengths and preferences when it comes to processing information. Individual learning styles will therefore impact how efficiently someone can embed new knowledge.<sup>8</sup> These learning styles include:

**Concrete experience:** for example receiving practical tips for how to ride a bike

**Reflective observation:** reflecting as a new concept is being demonstrated, like watching someone ride a bike

**Abstract conceptualisation:** understanding the theory behind a concept, like the mechanics behind riding a bike

**Active experimentation:** jumping on the bike and trying it for yourself

## Learning delivery

There are various ways learning can be delivered. We can view this as falling on a spectrum from formal (top) to informal (bottom) learning. This spectrum is not linear and will flex depending on the teaching and delivery method:

Instructor-led in person



Virtual classroom



In the workflow



Blended



Experiential



Social



Self-directed



# What are the barriers to learning?



## Measuring ROI

There is no shared framework for measuring the success of learning strategies, making it very difficult to compare approaches.<sup>9</sup>

Securing leadership buy-in without clear ROI continues to be a key challenge.

Roles with quantifiable productivity measures can be a good starting point, while engagement surveys and retention rates can provide indirect insight into the impact of learning.

Only 10% of the \$200 billion spent on corporate L&D in the US is estimated to deliver real results<sup>10</sup>



## Managing learning in a hybrid environment

Hybrid has complicated where, when and how people learn, making it challenging for organisations to maintain a learning culture.<sup>11</sup>

Remote working has impacted how people share tacit knowledge, removing the in-person moments that lead to informal learning.

This has led to challenges for managers who may find it more difficult to identify development opportunities for remote employees.

54% of people are concerned they are missing out on informal learning opportunities while WFH<sup>12</sup>



## Navigating status quo vs new

An organisation's history, culture and norms can create a resistance to change that stagnates learning into the way it has always been done.

Likewise, leaders may not be convinced of the benefits of new L&D strategies, or the costs and resources required.<sup>13</sup>

This can prevent learning strategies from evolving to meet the new challenges and opportunities arising from a changing working landscape.

49% of people feel that their senior leadership do not prioritise L&D<sup>14</sup>



## Spotlight on inequality of learning opportunities

Learning can make a real difference to social mobility, but only 17% of our Future of Work by HSM members are focusing on this challenge. Inequality of learning opportunities impacts people in two important ways:

- 1) Accessibility:** Access to coaches and mentors is often limited, leaving diverse candidates without valuable resources and support.<sup>15</sup> There is also a lack of access to job-related learning for unemployed job-seekers, or those with lower-level educational qualifications.<sup>16</sup> The dual impact of pandemic, recession, and technology will exacerbate these inequalities.<sup>17</sup>
- 2) Inclusion:** L&D can drive equity by increasing opportunities for underrepresented groups, combating systemic challenges, building psychological safety and providing DEI training.<sup>18</sup>

# Embed a culture of learning at all levels

What you can do:

Embedding a culture of learning across your organisation is key to ensuring learning is holistically integrated throughout. For many, this will require a significant culture shift.

It is important to remember that culture operates across all levels of your organisation, and we can engage stakeholders at each of these levels in the following ways:



## Individual

Individuals help share **tacit knowledge** through collaboration and social connection.

By encouraging **open communication** and discussion, and **celebrating successes and lessons learned**, learning can be supported at the individual level.



## Peer

Peer-to-peer learning helps build out **networks**, supports **knowledge retention** and **diversity of thought**.

Peers can encourage learning from one another by fostering an environment of **collaboration and support**, providing and soliciting **constructive feedback**, and **sharing learning and knowledge** with colleagues.



## Managers & Leaders

Leaders and managers **set the tone** from the top<sup>19</sup> as **role-models** of continuous learning. If they do not prioritise learning, it sends the message that it is not important.

Leaders promote a learning culture by providing **feedback and coaching**, promoting **psychological safety** and **celebrating learning achievements**.



## Community

Communities of learning support engagement and innovation through **cross-team knowledge-sharing**.

Community learning is supported when L&D initiatives are **aligned with organisational values** and strategic goals, and building learning directly into the **flow of work**.



## Ecosystem

A learning ecosystem takes a **holistic approach** to L&D that goes beyond the level of the organisation itself.

By investing in and supporting peer-to-peer **learning communities across the ecosystem** and **building out networks** with partner organisations, organisations can **drive innovation, attraction and retention**, and **engagement**.

# Ensure machines augment human learning

What you can do:

**Humans and machines have different strengths that organisations can leverage to transform how L&D is done.**

Humans adapt creatively to novel experiences and respond with empathy, while machines are efficient and quick, reducing mental and physical human effort.<sup>20</sup>

When used correctly, tech can be democratising, augmenting and enhancing of our experiences by offering accessible and flexible learning, while human connection gains community, networking and tacit knowledge-sharing.<sup>21</sup>

While technology has revolutionised the way we access and consume information, it cannot replace the value of human interaction in enhancing learning experiences.

When developing your learning strategy, consider what you are gaining or losing when choosing to use either tech or human connection, thinking intentionally about how each can be used to get the full benefits of both.

Humans and machines can work together to support learning in a number of ways:



Using ChatGPT to augment **cognitive work**, providing instant access to information



Pairing digital tools with **coaching or mentoring**, combining personal support with personalised learning



**Forming communities of learning** through VR, bringing together diverse perspectives across geographies



**Spotlight: Future skills are human skills**

As technology continues to impact the way we work, **future skills are increasingly human skills.**<sup>22</sup>

It is the skills that are uniquely human that will help people leverage new technology and increased automation whilst:



**Thinking creatively**



**Working collaboratively**



**Communicating effectively**

# Take a skills-first approach

What you can do:

The future is hard to predict, so it is difficult for people to know what skills they will need to develop now to do their jobs well in the future.<sup>23</sup>

Pace of change is accelerating, and soon new jobs will be created faster than current jobs will become obsolete.<sup>24</sup> This means organisations are facing a future skills gap, and at the same time, people will be looking to develop new skills to remain relevant in their field.

Without adequate opportunities for growth and development, people may feel they need to change jobs to grow their skills. Therefore, opportunities for internal mobility will become a key lever to retention in the years to come.

Look at your people's current skills as transferable skills and close your organisation's skills gap by considering who has the potential to do the job well.

Assessing people's potential, rather than their pedigree will help you tap into a more diverse talent pool and support I&D outcomes.



## Reduce reliance on degrees in recruitment

Reduce reliance on degrees to evaluate talent because people are **getting skills in different ways**.

This will increase people's access to good jobs and **drive equity** by democratising the learning process, which is no longer behind a degree paywall.

Use apprenticeships and internships to provide **access to opportunities** and create pathways to career advancement.



## Think deeply about transferable skills

It is hard to predict what job skills will be needed in the future.

Looking at transferable skills as **future skills** will help you close future skills gaps, **boost internal opportunities** and **drive equal access** to career paths.

Use **reskilling programmes** to give people the missing puzzle piece, identifying good candidates with the transferable skills to reskill into new roles.



## Prioritise internal mobility

Closing your organisation's skills gap through **internal upskilling** and job placement is **cost-effective**, promotes and demonstrates a **culture of learning** and a commitment to helping your people continually **grow and develop**.

Organisations that are not thinking intentionally about how to offer their people internal opportunities will find attrition rates increasing.<sup>25</sup>

# Experiments we are seeing

Organisations are experimenting with their learning strategies now.

Here are three key examples across the three actions identified for building a framework for **reimagining the future of learning**.



## Peer-to-peer learning with Etsy Schools

Etsy wanted to **align their learning strategy to their culture, and mission** of “keeping commerce human”.

Etsy schools are a series of colleague-run courses on a range of topics, helping people to share their expertise, talent and **learn from each other**.

These courses have been successful for driving informal connections and curiosity and contributed to **employee engagement** scores.<sup>26</sup>



## AI – assisted learning at Accenture with Job Buddy

Accenture needed to meet an increased demand for **upskilling and reskilling**.

Job Buddy is an **AI-powered tool** that uses machine learning to suggest career paths and upskilling opportunities based on an individual’s **current job, skills, and experience**.

The platform provides resources such as **online courses, workshops, and mentoring** programs to help individuals acquire the **necessary skills** for the new job, retraining 300,000 people in 4 years.<sup>27</sup>



## Internal mobility opportunities at HSBC

HSBC needed to fill a **skills gap**. They developed the Accelerating Wealth Programme to identify people with **foundational transferable skills** for **targeted reskilling**.

Through an intensive immersive learning programme people are quickly upskilled into **new internal roles** over a 3–9 month period.

This programme supports internal talent mobility while meeting HSBC’s skills need.<sup>28</sup>

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Thank you to our other contributing organisations.



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