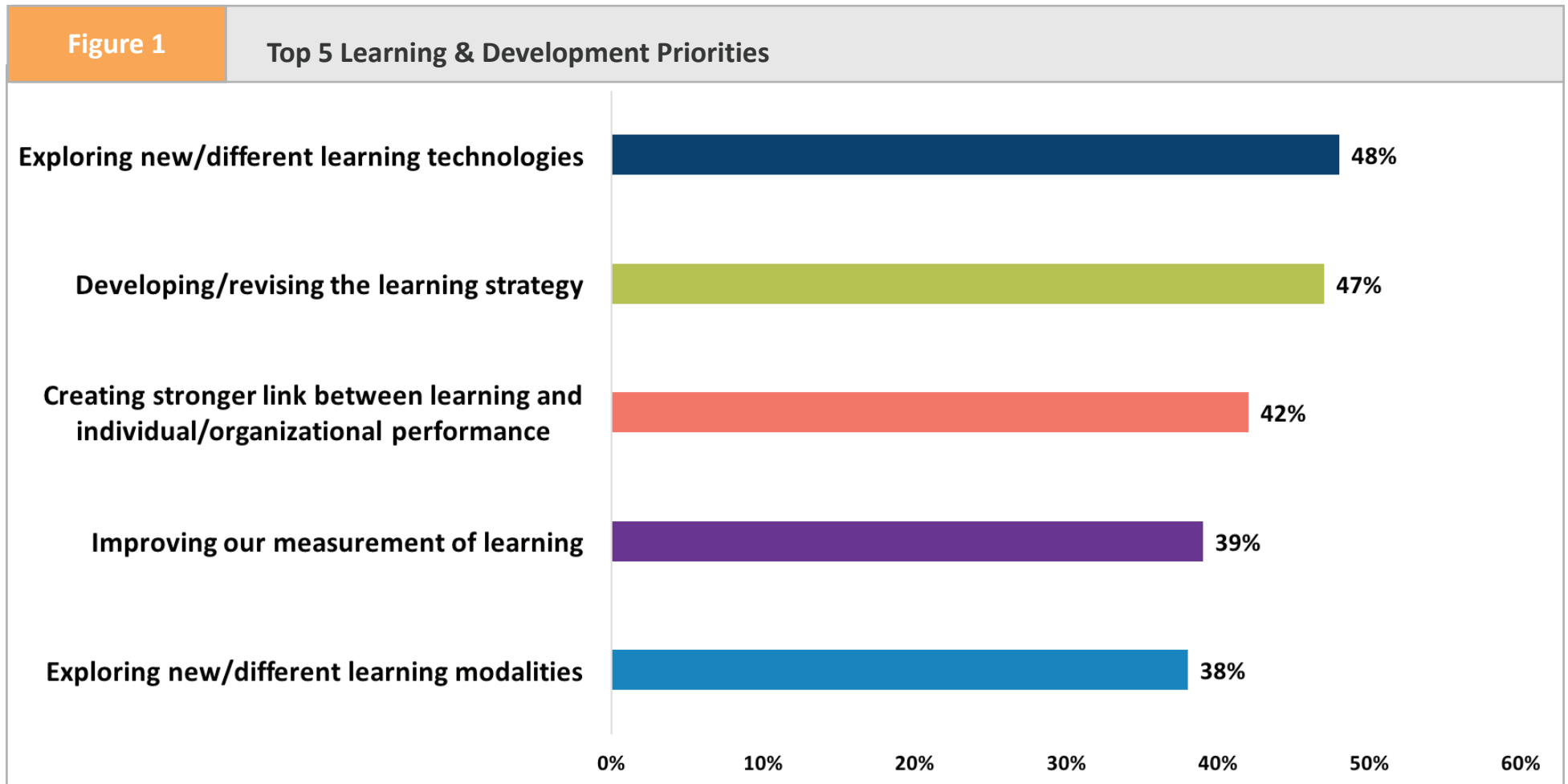# 2016 Learning Technology Study

Brandon Hall
GROUP

2016 Learning Technology Study: Summary of Top Findings

The technology employed to deliver Learning and Development has grown increasingly varied and complex. The cloud, social tools, mobile technologies, and other advances have created a host of opportunities for new learning experiences – so much so that technology has become the top L&D priority. Exploring new and different technologies surpassed even the learning strategy as the top focus over the next 12 months.

KEY FINDINGS

- **48% of organizations surveyed list exploring new technologies as the top Learning & Development priority over the next 12 months.**

- **The top targets for technology exploration are social/collaborative tools (43% of respondents) and mobile delivery (41%).**

- **Satisfaction with current learning technology is low -- the highest score equates to a C -- and the biggest reasons for considering a technology change is user experience and administrative experience.**

- **Despite its shortcomings, learning technology has a strong correlation to improved KPIs, such as revenue, productivity, engagement, costs and turnover. Investment in technology is strong and forecasted to increase.**

Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

Figure 1	Top 5 Learning & Development Priorities

- Exploring new/different learning technologies — 48%
- Developing/revising the learning strategy — 47%
- Creating stronger link between learning and individual/organizational performance — 42%
- Improving our measurement of learning — 39%
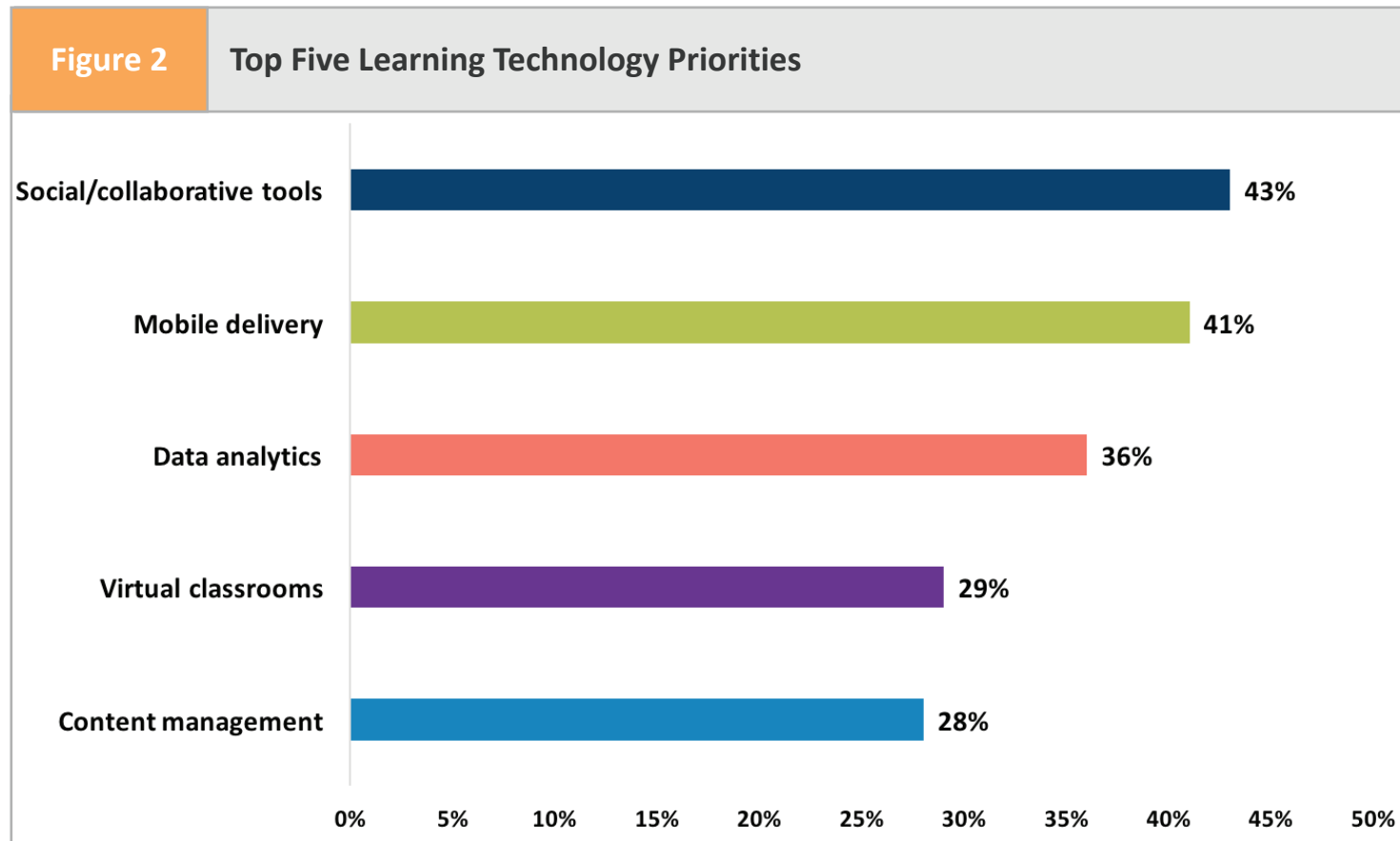- Exploring new/different learning modalities — 38%

Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

The other highlight here is that the number three priority is creating a stronger link between learning and performance. Previous Brandon Hall Group research has shown that companies that adopt a framework that incorporates more informal and social elements report an improved link between learning and both individual and organizational performance.

TOP 5 FINDINGS

1. Social and Mobile Technologies are the Biggest Priorities

Companies say that new technologies are the top priority, but there are myriad technology issues clamoring for attention. Within the chaotic learning environment, the biggest priorities within technology are social and mobile solutions.

| Figure 2 | Top Five Learning Technology Priorities |

Social/collaborative tools — 43%
Mobile delivery — 41%
Data analytics — 36%
Virtual classrooms — 29%
Content management — 28%

Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

Brandon Hall Group has been researching learning technology for years, and mobile and social have been steadily climbing the priority list. Now, they sit firmly on the top, and organizations are hungry for platforms that leverage new technologies to allow for a more "just-in-time, just-for-me" learning experience. While the LMS accounts for about 39% of the learning technology budget on average, companies are still spending averages of 4.7% and 4.3% on social and mobile technologies, respectively. That's on top of the money they are already spending on their LMS, and more than one-third of companies expect those percentages to grow over the next year.

When it comes to technology-enabled informal learning, more than half of companies consider discussion forums and collaboration platforms as either essential or critical to the business. The problem is that they give all major solutions a failing grade.

When 46% of companies consider discussion forums essential and 8% consider them critical to the business, it's a significant problem when only 5% say they are very satisfied with the discussion functionality of their current platform.

Figure 3	Satisfaction with Informal Learning Technology (Average Score)	
		Satisfaction on a 100-point scale
Video channel		57.5
Collaboration platform		57.5
Media sharing		57
Threaded chat		56
Coach/Mentor facilitation		54
Blogs		54
Discussion forum		53

Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

2. User Experience is Critical

About 44% of companies are actively considering replacing the current LMS solution. This number is up 16% from 2015, so what is driving companies to change? An overwhelming 88% indicate it is the need for an improved user experience. The second most common reason is the need for an improved administrative experience (74%). Ease of use has always been near the top of drivers for change, but never with such authority.

It seems to be common sense that a system should be easy to use, but the stark reality is that many learning software applications are anything but. User experience (UX) is critical in learning, as this software is often the first interaction an employee has with the organization.

Also, in our increasingly virtual workforce, it can sometimes be the only connection an employee has with the organization. A bad UX equals poor engagement that can be difficult to turn around.

To put into perspective just how important UX is, 43% of companies say that an intuitive, user-centric interface is essential when buying new learning technology, and 40% say it is critical to their business.
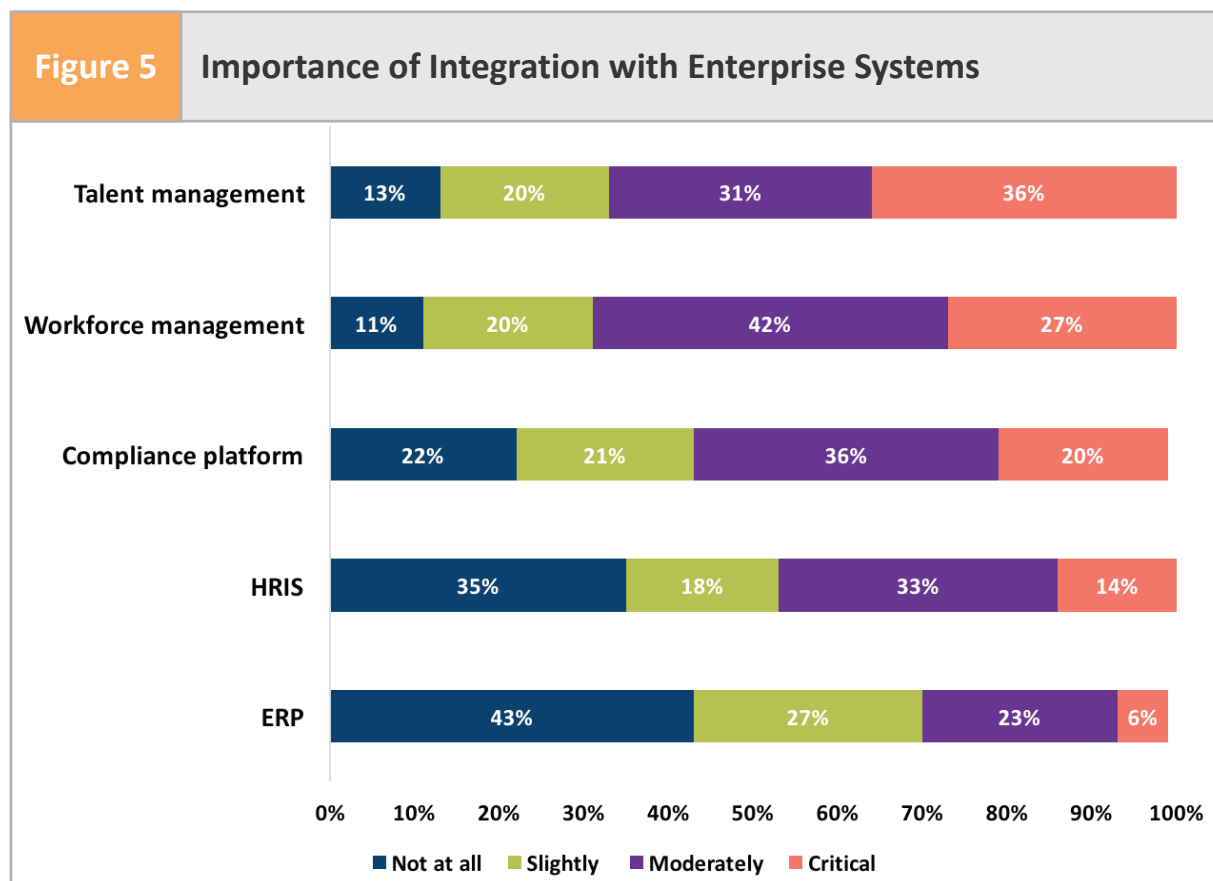
Figure 4	Top 5 Reasons for Switching LMS
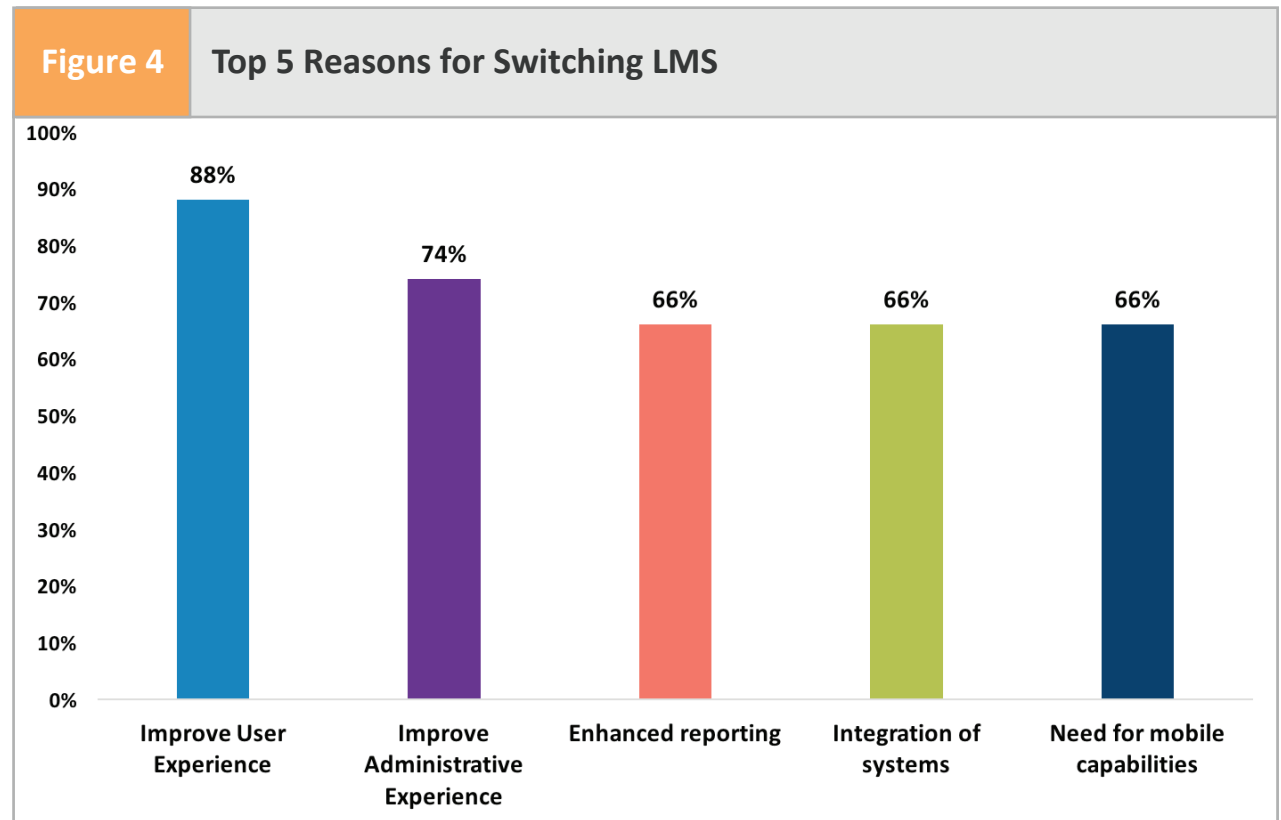
Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

3. Integration is Becoming More Important

As we see in Figure 5, the need to integrate with other systems is a big factor in why organizations switch learning technology providers. Also, 77% of companies say that integration capabilities are either essential or critical for their learning technology vendors to have.

The most common systems that learning technology integrates with are HRIS (37%), content management (29%), and talent management (28%). For many of these systems, organizations are finding it important, if not critical, that their future learning systems integrate.

As for the learning technology itself, more than two-thirds of companies say that the next learning technology they buy will be a suite of integrated technologies from a single vendor. So, despite the APIs and ease of integrations that come with the cloud, twice as many companies are interested in suite solutions than best-of-breed solutions that they must get to work together.
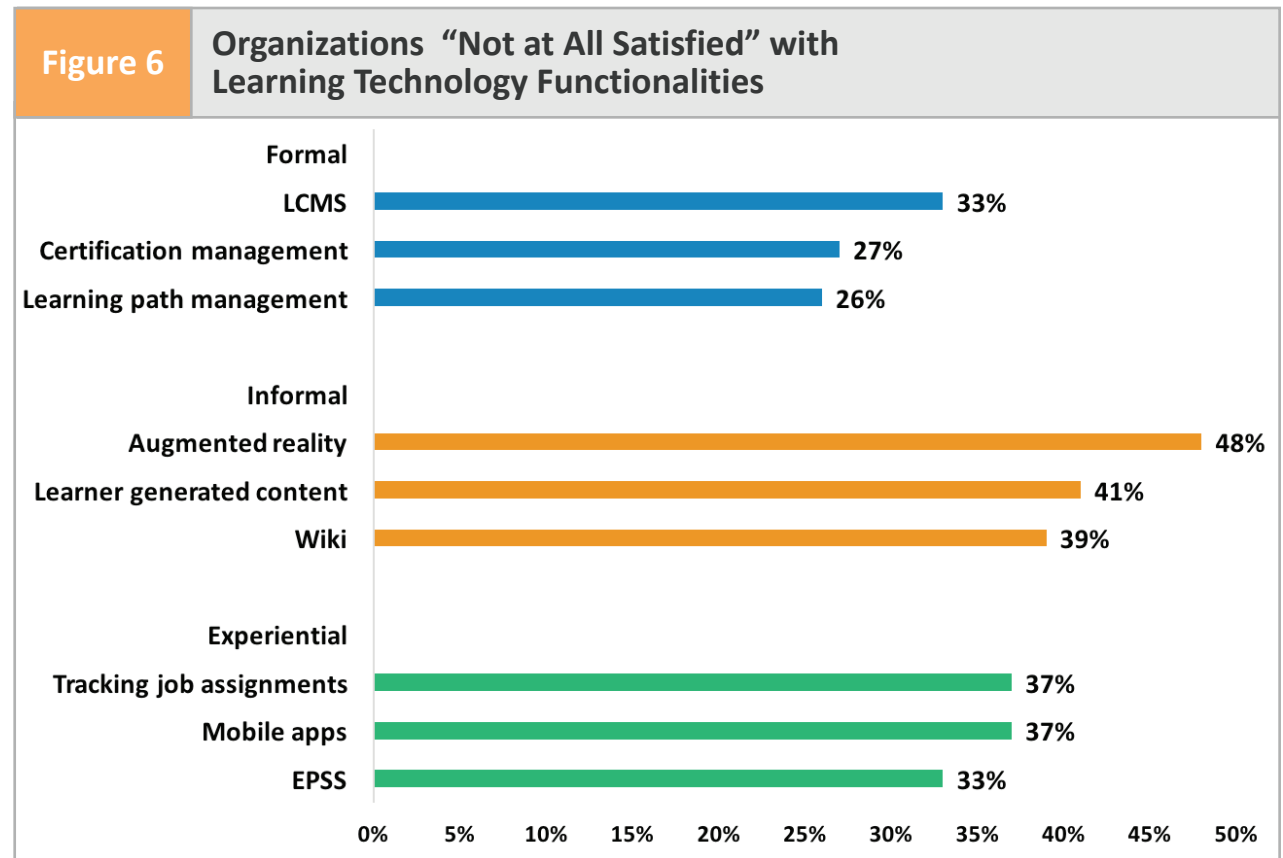
Figure 5	Importance of Integration with Enterprise Systems

	Not at all	Slightly	Moderately	Critical
Talent management	13%	20%	31%	36%
Workforce management	11%	20%	42%	27%
Compliance platform	22%	21%	36%	20%
HRIS	35%	18%	33%	14%
ERP	43%	27%	23%	6%

Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

4. Learning Technology Satisfaction Lags

The highest average satisfaction rating (4-point scale) for any type of technology – formal, informal or experiential -- is 2.83, while the lowest is 1.90. We've seen the impact a poor user interface can have, but there are many other areas in which organizations give learning technology providers failing grades. Let's take a look at some of the areas that fare the worst.

In the formal arena, one-third of companies are not at all satisfied with the learning content management system (LCMS) aspect of their technology. Content plays a huge role in learning, and an inability to properly manage it can be a challenge. The management of certifications and learning paths were also rated somewhat poorly.

However, overall, the technology aspects of formal learning delivery score higher in satisfaction than those for informal and experiential learning. This highlights the difference between technologies and modalities companies have been using for years and those newer technologies with which they are still grappling.

Figure 6	Organizations "Not at All Satisfied" with Learning Technology Functionalities

Formal
- LCMS — 33%
- Certification management — 27%
- Learning path management — 26%

Informal
- Augmented reality — 48%
- Learner generated content — 41%
- Wiki — 39%

Experiential
- Tracking job assignments — 37%
- Mobile apps — 37%
- EPSS — 33%

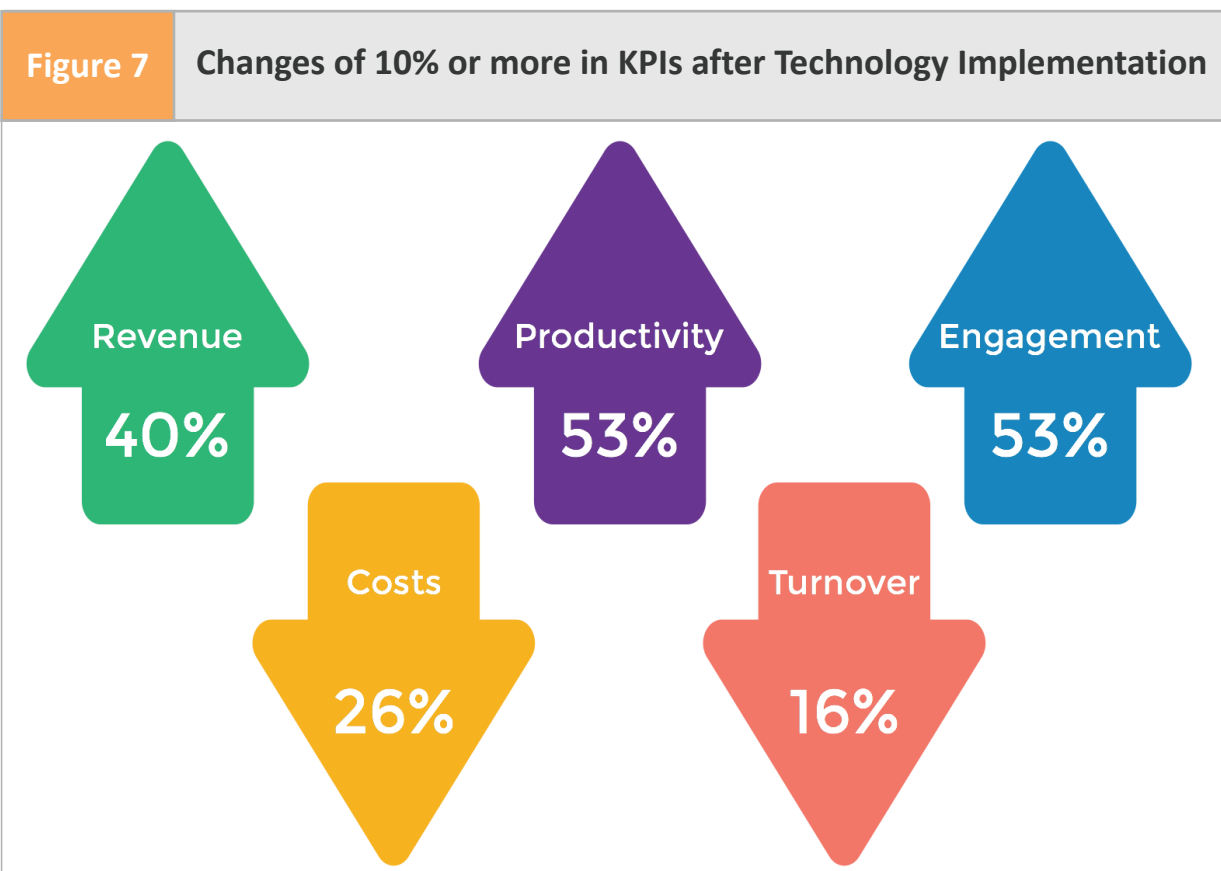Source: 2016 Brandon Hall Group Learning Technology Study (n=302)

Another area presenting challenges is integration. The most common systems learning technology integrates with are HRIS (37%), content management (29%), and talent management (28%). Looking ahead, 36% of companies say it is critical that their next learning technology platform integrates with a talent management system and 36% say the same for a content management system. So while integration will be an important aspect of learning technology, only 3% of companies say they are satisfied with their current integrations.

5. KPIs Improve Significantly after Technology Implementation

Despite its challenges, technology is key to delivering effective learning, and its role will only continue to grow. We asked organizations if there was any change in key performance indicators after implementing their learning technology, and the results are promising (see Figure 7 at right).

This does not necessarily represent causation in that the technology is responsible for the improvements, but rather a correlation. Organizations

Figure 7 — Changes of 10% or more in KPIs after Technology Implementation

Revenue 40%

Productivity 53%

Engagement 53%

Costs 26%

Turnover 16%

Source: 2016 Brandon Hall GroupLearning Technology Study (n=302)

report improvements after implementing the technology. Keep in mind that the vast majority of companies that did not report any improvement indicated that their KPIs remained the same. For example, only 1% of companies reported that productivity had decreased.

Companies are recognizing the important role learning technology can play in improving the overall business. Just 3% of companies say they have no plans to implement learning technology. And those that are or have implemented solutions are putting their money where their mouth is. Nearly half of companies say learning technology typically accounts for 1% to 5% of the overall HR budget, 25% say it's 6% to 10%, and the other 30% say it is even more. 42% of companies expect their allocation to increase next year.

Given the size of the average HR budget, this represents a significant investment in learning technologies moving forward. As companies expand the palette of technologies they want/need, they will become more acutely aware of how each technology helps them achieve their learning goals and, consequently, their business objectives.

The key for organizations is to identify the ways in which technologies such as social/collaborative platforms and mobile devices can help them deliver a more effective, relevant and engaging learning experience.

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