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OVERVIEW

As Australia’s most established provider of business education, Melbourne Business School is privileged to have one of the largest, most-representative and actively engaged business networks in Australia.

Major corporations, small and medium-sized enterprises, innovative start-ups and leading not-for-profits trust us to help them develop their leadership and management talent through our short courses, custom solutions and degree programs, including our renowned MBA.

Witnessing, and experiencing ourselves, how COVID-19 has torn up the “business as normal” playbook, we have surveyed a wide range of organisations to understand how they are coping and the leadership capabilities they require to survive and thrive in these unprecedented times. The result is a report replete with significant insights into the learning and development priorities of organisations across Australia, New Zealand and the Asia region.

Caron Beaton-Wells
Deputy Dean
Melbourne Business School

This report was compiled in August 2020, at the height of the COVID-19 lockdown in Melbourne, one of the most severe lockdowns in the world at the time. The impact of COVID-19 on the people and organisations that operate here and depend on this major driver of Australian economic activity has been immense.

This report shows the resilience of these organisations, and others across Australia, in setting new priorities for survival in the immediate future and success over the long term. Unsurprisingly, it shows that resilience, leadership, managing change, as well as leading people remotely, are among the most needed executive capabilities at this time. The report’s real value, though, is to show you what other organisations are thinking. You are not alone in facing this crisis, and please don’t hesitate to contact us if you would like to learn more or to think with us about the future of learning and development.

Nora Koslowski
Executive Director, Organisational Learning Group
Melbourne Business School

SHAREING OUR CLIENTS’ INSIGHTS

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Nora Koslowski
Executive Director, Organisational Learning Group
Melbourne Business School
EXECUTIVE SUMMARY

“...With the immense uncertainty and anxiety posed by COVID-19, it is about keeping close to our people and communicating regularly on updates, plans and changes.”

MAJOR CHANGES IN UNPRECEDENTED TIMES

Organisations are responding to the negative economic impacts of COVID-19 through business transformations and strategic initiatives that focus on survival and growth.

To understand the consequences for learning and development, we surveyed organisations who we work closely with in the for-profit, public and not-for-profit sectors, with annual revenue ranging from less than $10 million to more than $5 billion.

Our findings show that organisations are focusing on the capabilities they most need in their people to lead, adapt and thrive through fluctuating conditions.

TOP COVID-19 CHALLENGES

- Downturn in demand, with financial consequences and job losses
- Navigating uncertainty
- Greater focus on customers and changing consumer needs
- Developing people and finding new ways to deliver learning
- Working remotely and keeping employees engaged and connected

TOP LEARNING INSIGHTS

- Senior leaders remain committed to learning initiatives that have impact
- Major learning priorities:
  - Leadership
  - Resilience and well-being
  - Managing virtual teams
  - Innovation
- A significant shift to virtual delivery of internal learning programs
### Summary of Organisational Responses

The most critical challenge facing organisations is the impact of COVID-19, resulting in:

- Negative economic impacts
- Managing remote workforce
- Business reorganisation

"Sales impacted as demand on our products and services hugely decreased."

<table>
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<th>37%</th>
<th>Stated that senior management regarded learning as extremely important</th>
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<tr>
<td>37%</td>
<td>Also stated that senior management regarded measuring learning impact as extremely important</td>
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<tr>
<td>37%</td>
<td>Stated that ≈half of all programs will be delivered face-to-face when viable</td>
</tr>
<tr>
<td>40%</td>
<td>Reported converting all programs to digital learning</td>
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### Top 3 Business Initiatives As Of July 30, 2020

- Learning & development
- Organisational transformation
- Business growth
MOST CRITICAL CHALLENGES FACING ORGANISATIONS

OUTCOMES PREDOMINATELY ATTRIBUTED TO THE IMPACT OF COVID-19

Impacts
- Negative economic impacts
- Navigating uncertainty
- Downturn in demand
- Safety of frontline workers
- Restricted operating environments
- Survival
- Changing consumer needs

Focus
- Maintaining employee connection, engagement & well-being
- Managing remote workforces, remote working & performance
- Customer centricity
- Moving to and working digitally
- Frontline worker communications/care

Opportunities
- Business review, re-organisation and transformations
- Growth, strategy, re-imaging the future
- Employee development (digital, future skills, leadership, talent)
- Meeting changing consumer expectations
- New ways of delivering employee development

Source: Market Insights Survey 2020

IN UNPRECEDENTED TIMES
ORGANISATIONAL BUSINESS INITIATIVES
(AS AT JULY 30, 2020)
A LEARNING AND DEVELOPMENT PERSPECTIVE

In order of most to least commonly reported business initiatives:

1. Learning & development - leadership, talent, diversity & inclusion
2. Organisational transformation
3. Business growth
4. Innovation
5. Financial management, profitability, sustaining the business
6. Well-being
7. Customer service & focus
8. Strategy development and execution
9. Workforce management
10. Stakeholder relations & communications

Extent that Learning & Development teams supported these business initiatives:

- To a great extent: 46%
- To a moderate extent: 17%
- To a small extent: 17%
- To some extent: 14%
- Not at all: 6%

93% of these initiatives will continue in the next 12 months.
THE IMPORTANCE OF LEARNING TO SENIOR MANAGEMENT

Source: Market Insights Survey 2020
CAPABILITIES TO DEVELOP IN THE NEXT 6–12 MONTHS.
RESPONDENTS COULD CHOOSE ANY OR ALL APPLICABLE CAPABILITIES

Source: Market Insights Survey 2020
THE IMPORTANCE OF MEASURING CHANGE AND ASSESSING IMPACT FROM LEARNING AND DEVELOPMENT INITIATIVES

Very important: 32%
Moderately important: 17%
Slightly important: 14%
Not at all important: 0%
Extremely important: 37%

Source: Market Insights Survey 2020
LEARNING AND DEVELOPMENT PRIORITIES IN THE NEXT 6–12 MONTHS

- Building new capability: 66%
- Supporting your employees to work remotely: 57%
- Increasing digital capability: 57%
- Accelerating your people strategy: 51%
- Responding to business partner needs: 49%
- Introducing new learning technology: 49%
- Leadership and management development: 6%
- Reestablishing function: 3%

Source: Market Insights Survey 2020
PROPORTION OF INTERNAL LEARNING INITIATIVES CONVERTED FROM FACE-TO-FACE TO VIRTUAL DELIVERY

(AS AT 30 JULY 2020)

Source: Market Insights Survey 2020
CHALLENGES CONVERTING TO HIGH QUALITY DIGITAL LEARNING & THE SOLUTIONS THAT LEARNING & DEVELOPMENT TEAMS INITIATED

CHALLENGES CONVERTING TO DIGITAL LEARNING

New technologies
Keeping it simple
Piloting programs
Investing in learning & development team capability
Focusing on learning design
Quick turn around of new processes and guidelines
Adapting learning strategies
Reduction in learning programs for some organisations

Technology constraints
Time
Digital capability
Budget
Competing priorities
CHALLENGES ENCOUNTERED BY LEARNERS UNDERTAKING DIGITAL LEARNING & THE SOLUTIONS PROVIDED BY LEARNING & DEVELOPMENT TEAMS

LEARNER CHALLENGES
- Competing priorities
- Online fatigue
- Digital capability
- Engagement

SOLUTIONS
- Short sharp sessions
- Repeat sessions to suit individual schedules
- Interactive sessions
- Senior leader led learning
- Organisation endorses learning through communication
- Practical, relevant, targeted programs
- New technologies
- Help desk & feedback
INTENTION TO RETURN TO FACE-TO-FACE DELIVERY OF INTERNAL LEARNING INITIATIVES (WHEN VIABLE)

- Approximately 75% of programs will be face-to-face.
- Approximately 50% of programs will be face-to-face.
- Approximately 25% of programs will be face-to-face.
- All programs will be face-to-face.
- None of the programs will be face-to-face.

Source: Market Insights Survey 2020
LEARNING AND DEVELOPMENT TRENDS CURRENTLY AFFECTING RESPONDENT INDUSTRY/ORGANISATION

Digital transformation of learning
Tailoring technologies to learner needs
Producing quality digital learning experiences
Self-paced learning

Learning integrated into work
Equipping people to operate in a virtual world
Shifting focus to developing people rather than process

“Short and sharp learning experiences work better for our learners, we need to be cognizant to learners fatigue of being online as in back to back meetings all day. A variety of learner and leader led sessions (own time, own pace) work well. Also sessions where our senior leaders engage with participants in high-impact master classes works well.

”

Source: Market Insights Survey 2020
LEARNING AND DEVELOPMENT
BUDGET CHANGES IN THE NEXT 6–12 MONTHS

54%  Anticipate the budget will stay the same

23%  Anticipate a decrease in the budget

17%  Anticipate an increase in the budget

6%  Can’t say

Source: Market Insights Survey 2020
# REASON FOR USING EXTERNAL PROVIDERS AND SENDING STAFF ON PUBLICLY AVAILABLE PROGRAMS

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Reason</th>
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<tbody>
<tr>
<td>91%</td>
<td>Develop specific capabilities or skills</td>
</tr>
<tr>
<td>68%</td>
<td>Develop a high potential candidate for a future advanced role</td>
</tr>
<tr>
<td>51%</td>
<td>Career development</td>
</tr>
<tr>
<td>41%</td>
<td>Provide a broader external network for the candidate</td>
</tr>
<tr>
<td>26%</td>
<td>As a retention strategy</td>
</tr>
<tr>
<td>12%</td>
<td>Reward for effort</td>
</tr>
<tr>
<td>3%</td>
<td>Other</td>
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*Source: Market Insights Survey 2020*
INTENTION TO USE EXTERNAL PROVIDERS FOR LEARNING AND DEVELOPMENT SOLUTIONS IN THE NEXT 6–12 MONTHS

If using external providers, respondents will use each delivery mode, but digital learning is the preferred mode, and COVID-19 affected this choice:

- **Highly likely to use digital learning**: 55%
- **Highly likely to use blended learning**: 36%
- **Highly likely to use face-to-face learning**: 32%

Source: Market Insights Survey 2020
METRICS THAT DESCRIBE THE RESPONDENT ORGANISATIONS

ORGANISATIONAL OWNERSHIP

- 21% Public sector
- 65% For profit
- 15% Not for profit

# OF EMPLOYEES

- 66% More than 1000
- 23% Between 501–1000
- 11% Up to 500

ANNUAL REVENUE/FUNDING PRE COVID-19

- $10 million to $100 million: 17%
- $101 million to $500 million: 23%
- $501 million to $1 billion: 20%
- Less than $5 billion: 13%

- More than $5 billion: 7%
- Above $1 billion: 13%
- Less than $10 million: 20%

ORGANISATIONAL OWNERSHIP

- Organisational ownership
  - 60% Definitely yes
  - 15%
  - 65% Not for profit
  - 21% Public sector
  - 23% For profit
METRICS THAT DESCRIBE THE RESPONDENT ORGANISATIONS

Source: Market Insights Survey 2020

Please note for presentation purposes the percentages have been rounded up to whole numbers, calculations are based on decimal numbers.

Source: Market Insights Survey 2020
METRICS THAT DESCRIBE THE RESPONDENT

Source: Market Insights Survey 2020

Sample size: 35, comprising a convenience sample of clients, potential clients and Alumni
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Taking the time to set your own priorities as a leader will help your employees care during COVID-19, says Professor Jill Klein.

How to build trust in your team as a new manager during COVID-19
Stepping up to management is always a challenge, but especially during COVID-19, writes Associate Professor of Organisational Behaviour Carol Gill.

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Why being more than just your job can actually make you better at it
Relying on work to provide a sense of purpose at the expense of other parts of life can limit your chances of success, says leadership expert Cameron Brooks.

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