

MARKET
INSIGHTS
REPORT

LEARNING & DEVELOPMENT IN UNPRECEDENTED TIMES

INSIGHTS FROM LEARNING AND DEVELOPMENT LEADERS

SEPTEMBER 2020

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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.

SHARING OUR CLIENTS' INSIGHTS

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

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.”

TOP 3 BUSINESS INITIATIVES AS OF JULY 30, 2020



Learning & development



Organisational transformation



Business growth

37%

stated that senior management regarded learning as extremely important

37%

also stated that senior management regarded measuring learning impact as extremely important

37%

stated that ~half of all programs will be delivered face-to-face when viable

40%

reported converting all programs to digital learning

MOST CRITICAL CHALLENGES FACING ORGANISATIONS

OUTCOMES PREDOMINATELY ATTRIBUTED TO THE IMPACT OF COVID-19



Negative economic impacts

Navigating uncertainty

Downturn in demand

Safety of frontline workers

Restricted operating environments

Survival

Changing consumer needs



Maintaining employee connection, engagement & well-being

Managing remote workforces, remote working & performance

Customer centricity

Moving to and working digitally

Frontline worker communications/care



Business review, re-organisation and transformations

Growth, strategy, re-imagining the future

Employee development (digital, future skills, leadership, talent)

Meeting changing consumer expectations

New ways of delivering employee development

ORGANISATIONAL BUSINESS INITIATIVES

(AS AT JULY 30, 2020)

A LEARNING AND DEVELOPMENT PERSPECTIVE

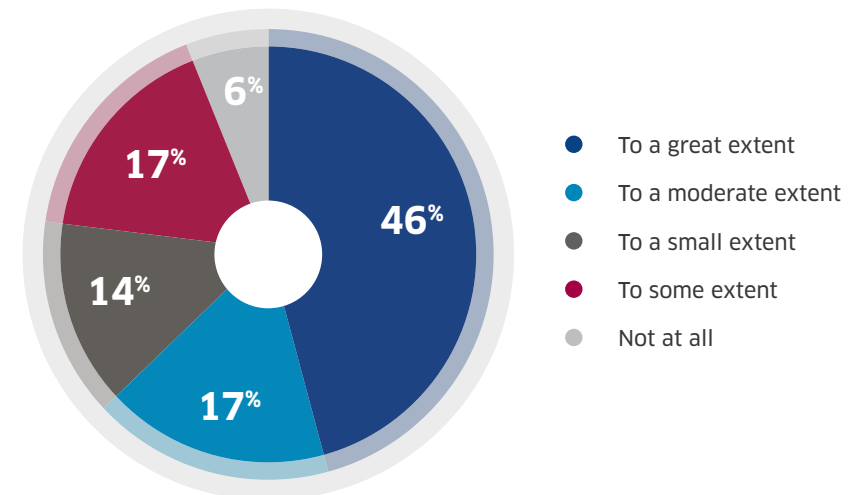
In order of most to least commonly reported business initiatives



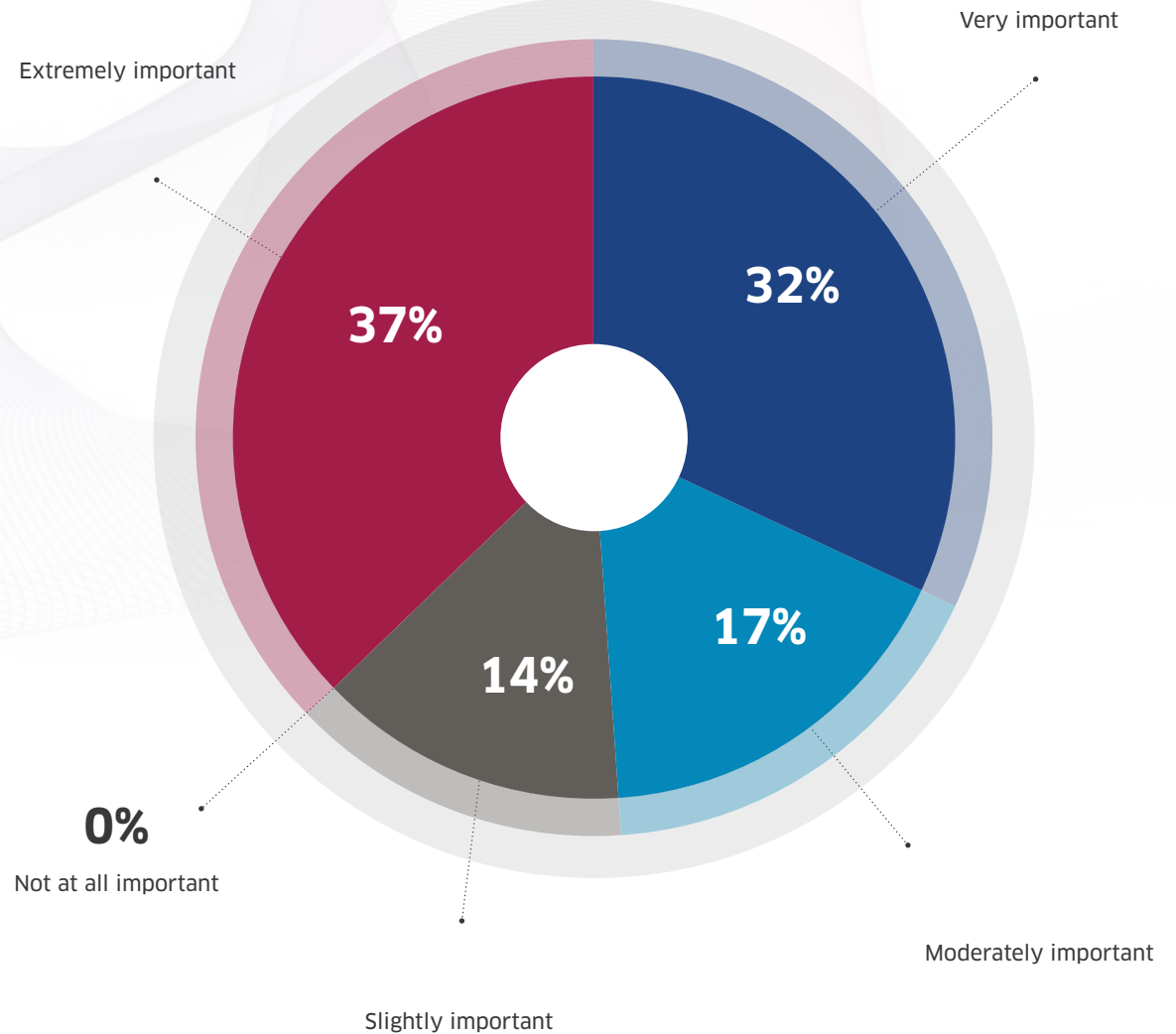
93%

of these
initiatives will
continue in the
next 12 months

Extent that Learning
& Development teams
supported these
business initiatives

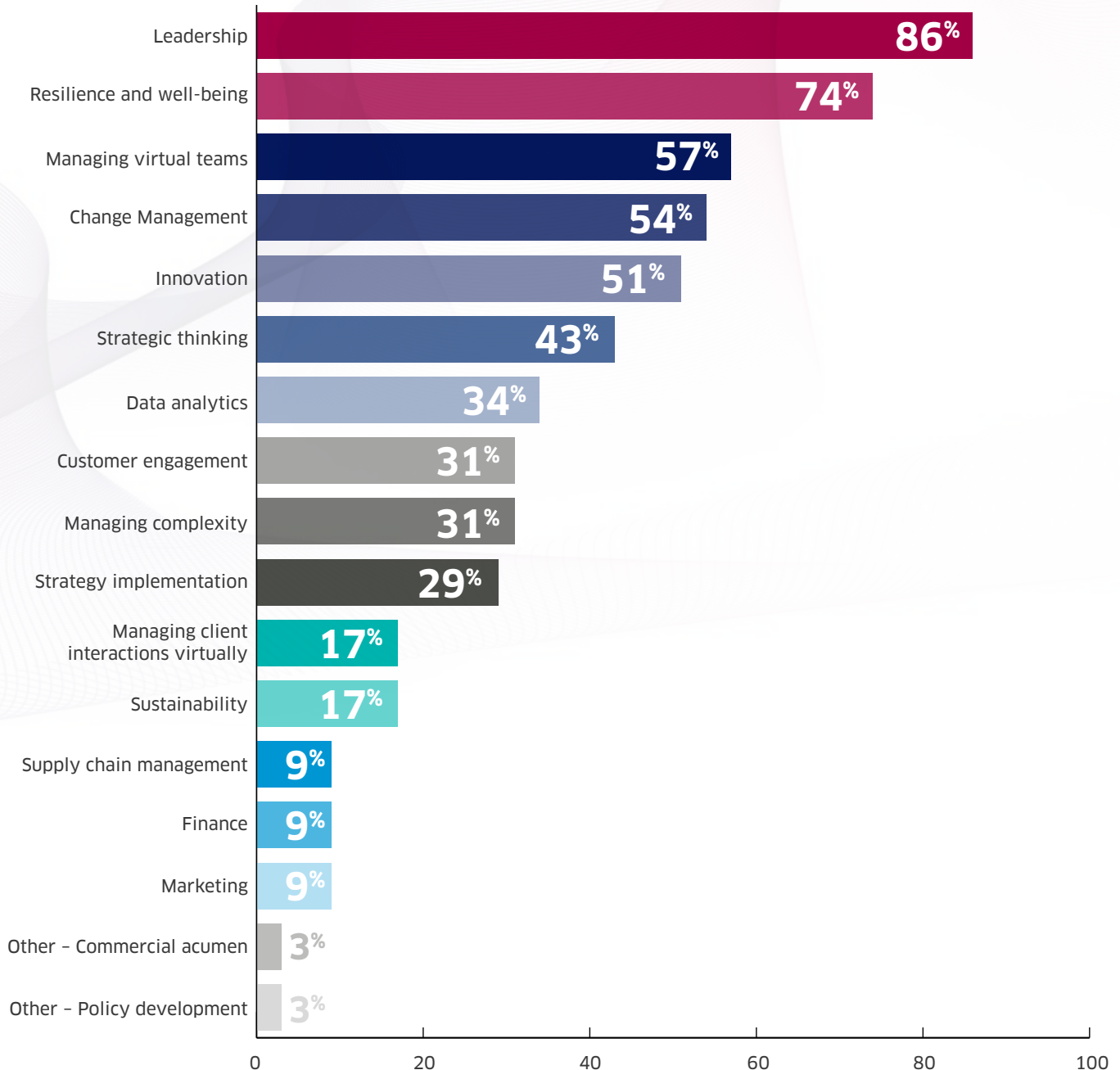


THE IMPORTANCE OF **LEARNING** TO SENIOR MANAGEMENT

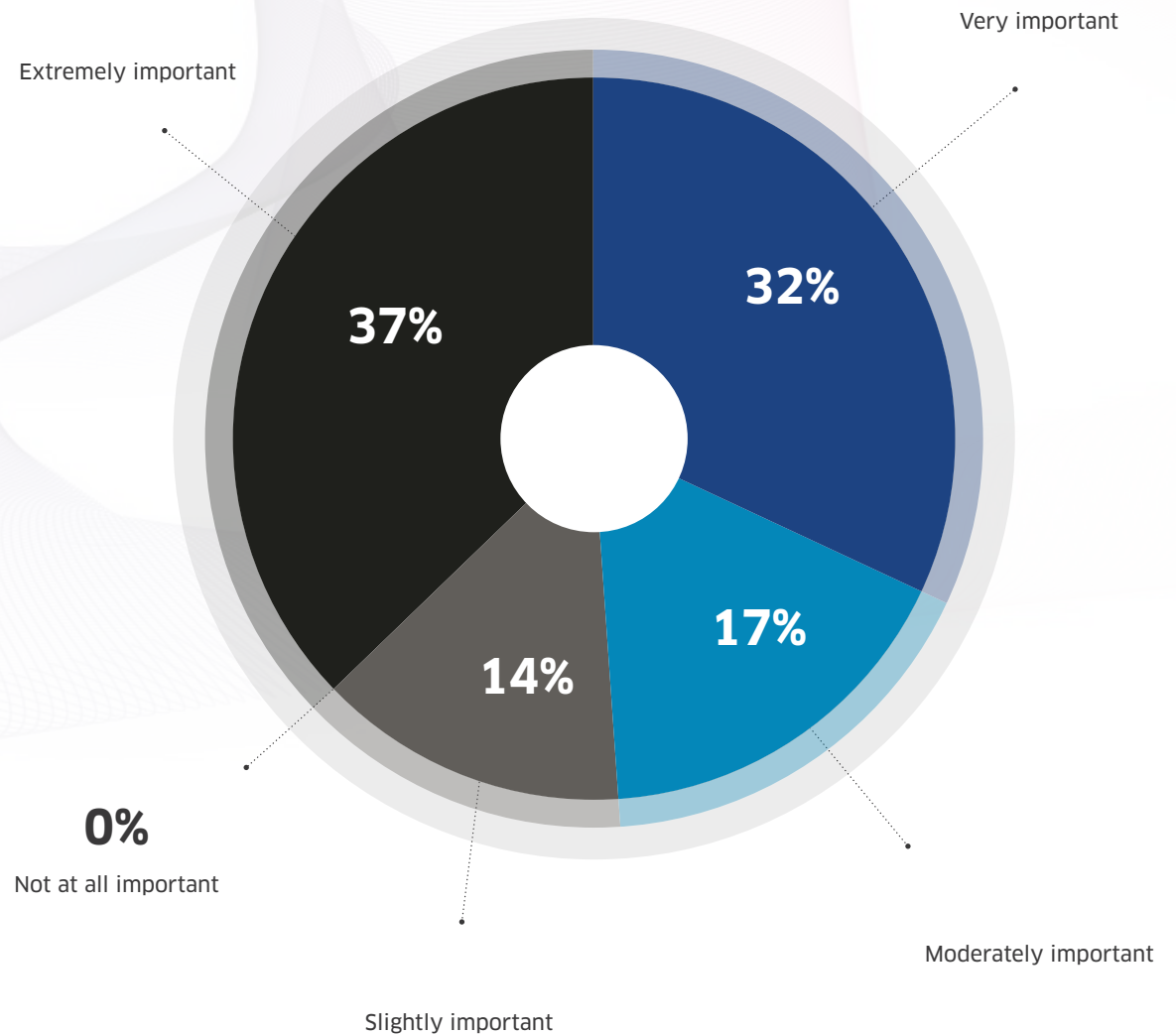


CAPABILITIES TO DEVELOP IN THE NEXT 6-12 MONTHS.

RESPONDENTS COULD CHOOSE ANY OR ALL APPLICABLE CAPABILITIES



THE IMPORTANCE OF MEASURING CHANGE AND ASSESSING IMPACT FROM LEARNING AND DEVELOPMENT INITIATIVES



% of respondents

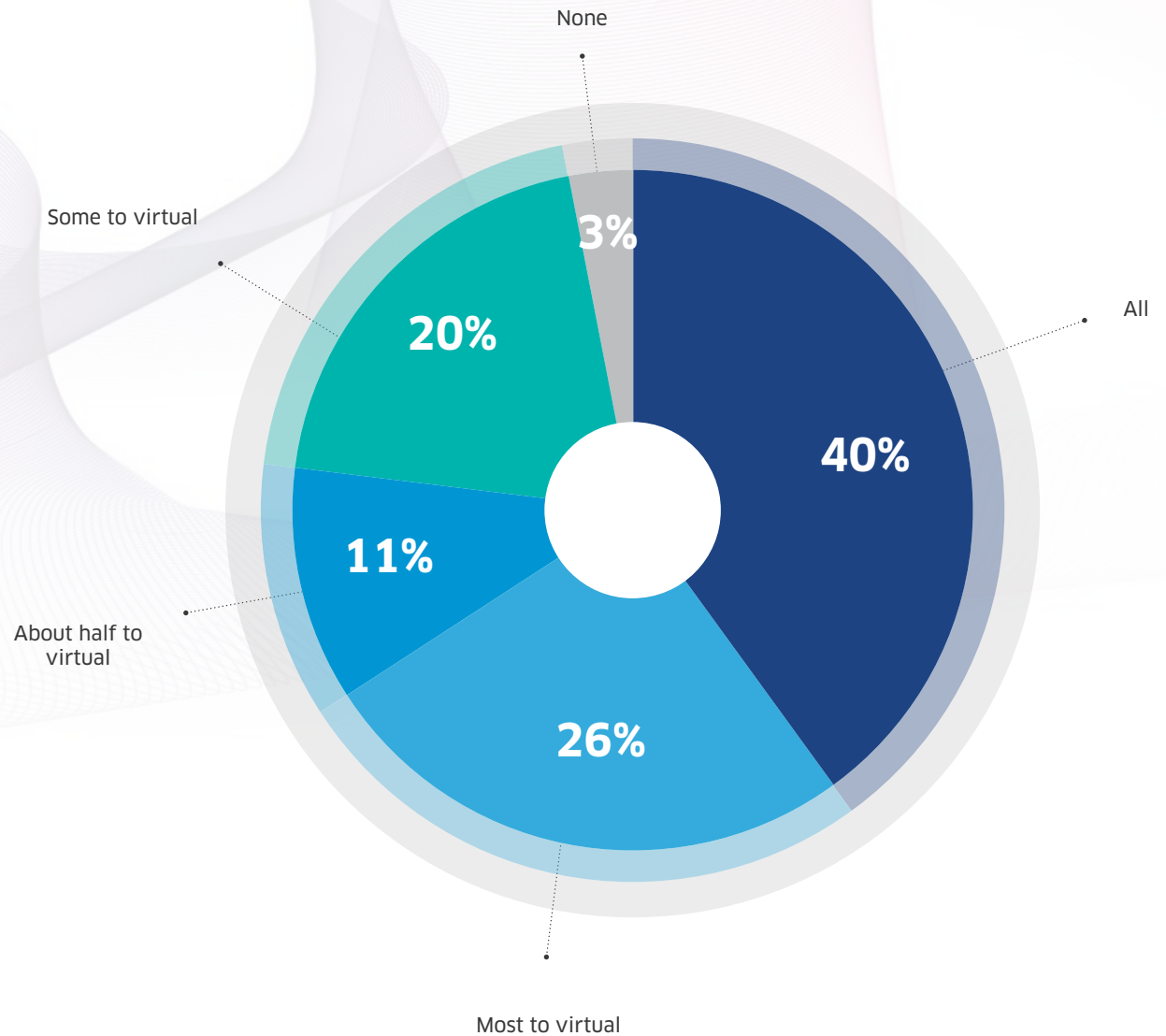
LEARNING AND DEVELOPMENT PRIORITIES IN THE NEXT 6-12 MONTHS



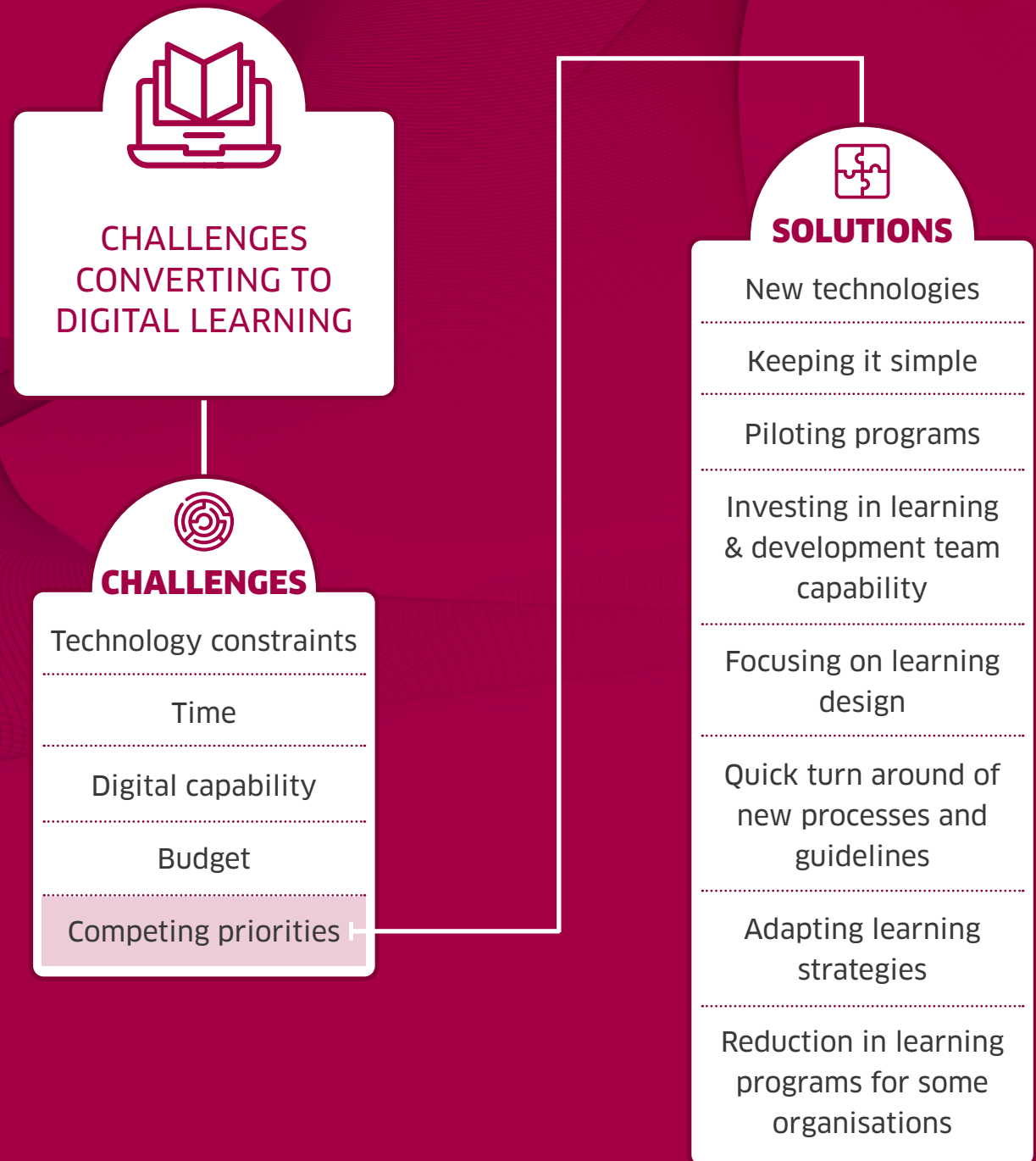
% of respondents

PROPORTION OF INTERNAL LEARNING INITIATIVES **CONVERTED** FROM FACE- TO-FACE TO VIRTUAL DELIVERY

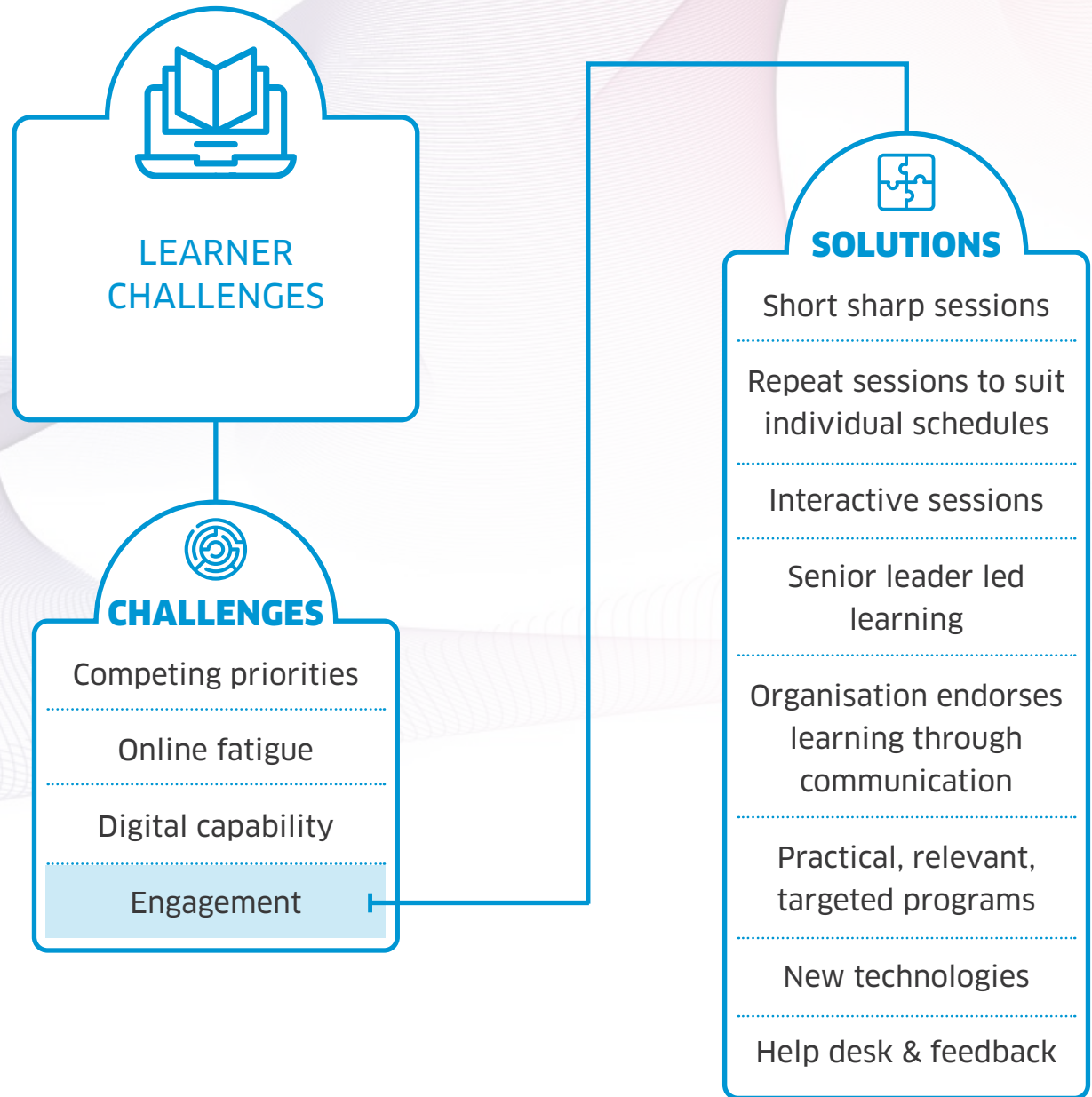
(AS AT 30 JULY 2020)



CHALLENGES CONVERTING TO HIGH QUALITY DIGITAL LEARNING & THE SOLUTIONS THAT LEARNING & DEVELOPMENT TEAMS INITIATED



CHALLENGES ENCOUNTERED BY LEARNERS UNDERTAKING DIGITAL LEARNING & THE SOLUTIONS PROVIDED BY LEARNING & DEVELOPMENT TEAMS





INTENTION TO RETURN TO **FACE-TO-FACE DELIVERY** OF INTERNAL LEARNING INITIATIVES (WHEN VIABLE)

29%

≈ 75% of programs will be face-to-face

37%

≈ 50% of programs will be face-to-face

29%

≈ 25% of programs will be face-to-face

3%

All programs will be
face-to-face

3%

None

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.

”



**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



REASON FOR USING EXTERNAL PROVIDERS AND SENDING STAFF ON PUBLICLY AVAILABLE PROGRAMS

91%

Develop specific capabilities or skills

68%

Develop a high potential candidate for a future advanced role

51%

Career development

41%

Provide a broader external network for the candidate

26%

As a retention strategy

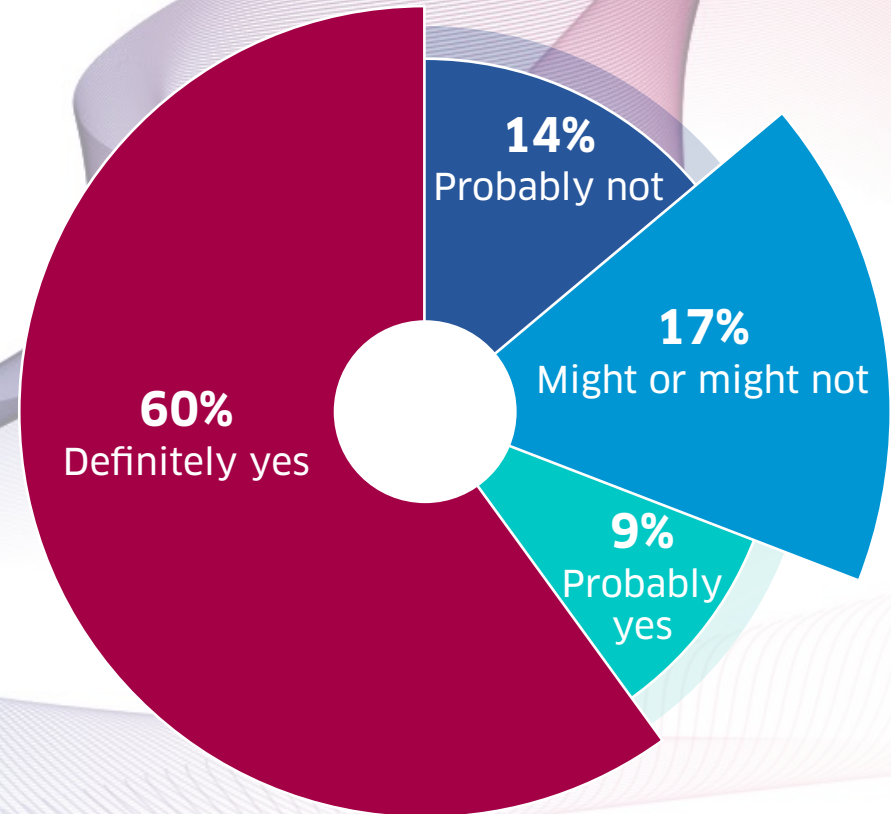
12%

Reward for effort

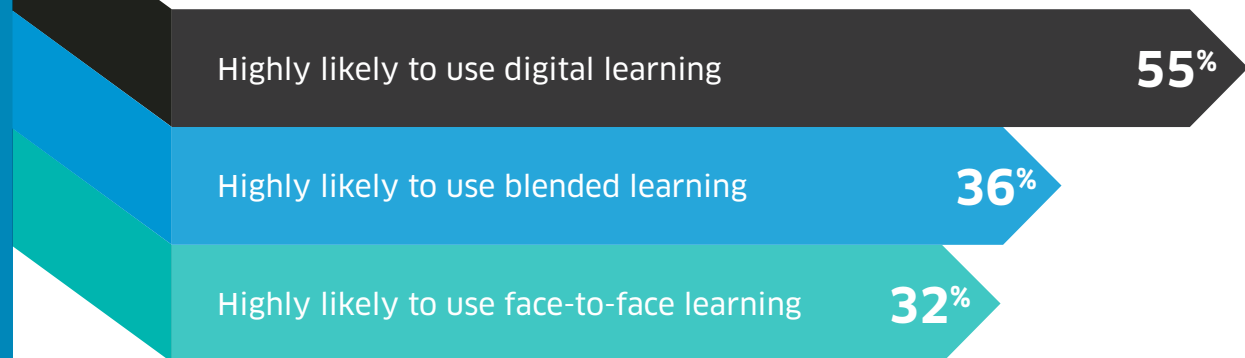
3%

Other

INTENTION TO USE **EXTERNAL PROVIDERS** FOR LEARNING AND DEVELOPMENT SOLUTIONS IN THE NEXT 6-12 MONTHS

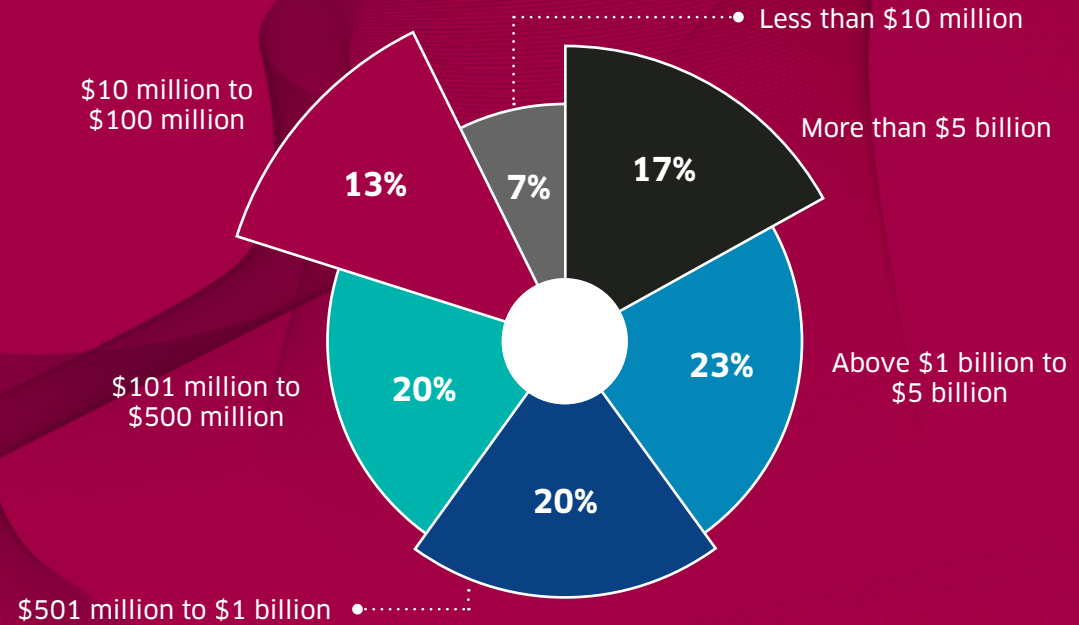


If using external providers, respondents will use each delivery mode, but digital learning is the preferred mode, and COVID-19 affected this choice:

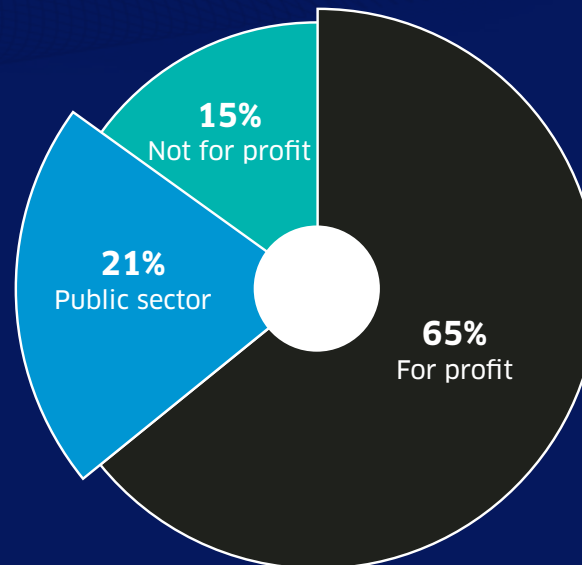


METRICS THAT DESCRIBE THE RESPONDENT ORGANISATIONS

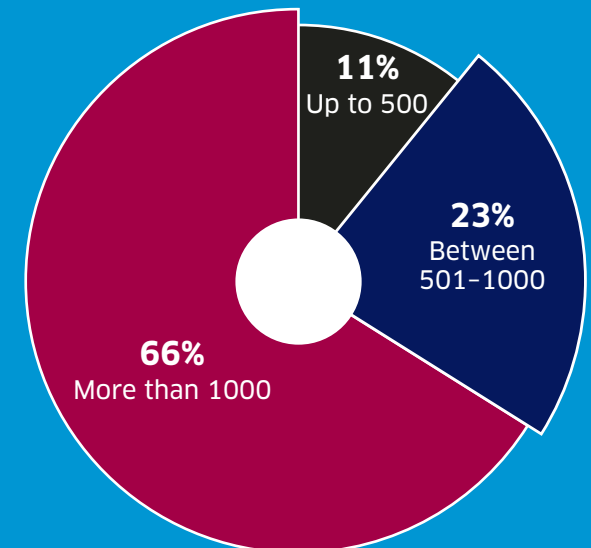
ANNUAL REVENUE/FUNDING PRE COVID-19



ORGANISATIONAL OWNERSHIP



OF EMPLOYEES



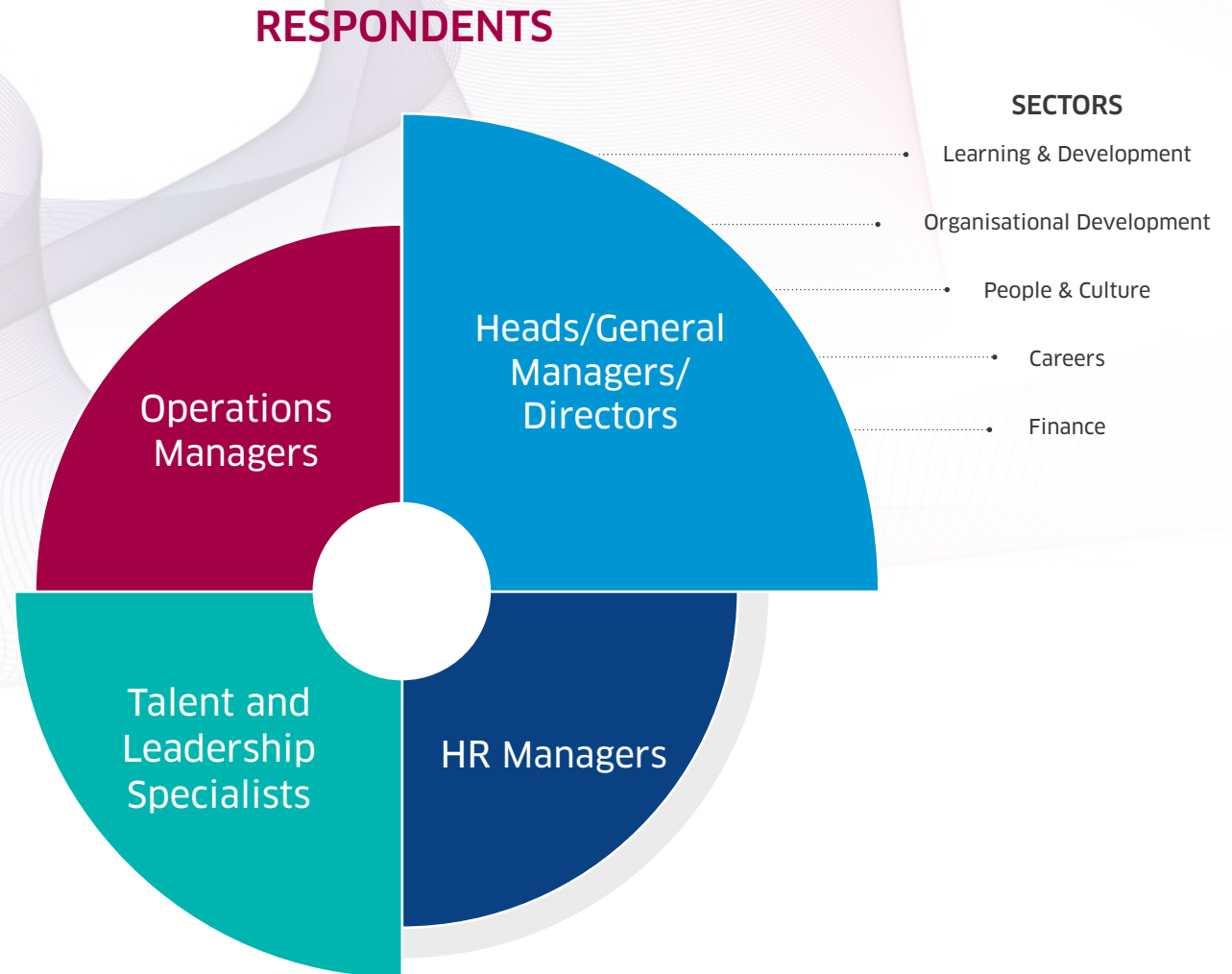
METRICS THAT DESCRIBE THE RESPONDENT ORGANISATIONS

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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