



# Training's role in productivity: How to optimize your approach to training



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# Introduction: The new world of work

As the employee experience continues to evolve, so must corporate learning. Advancements in technology, changing employee expectations, and increased competition for top talent has led many organizations to reevaluate their existing strategies to engage and retain their employees.

Today's employees want to work for organizations that invest in their professional development. In fact, **72 percent of American workers** say if they were looking for a new employer, career development opportunities are important.<sup>1</sup> This is a huge opportunity for organizations to lean into their training capabilities and deliver impactful learning experiences for their workforce. Training can play a crucial role in helping to increase employee productivity and organizational performance—ultimately, a win-win for the business and the people it supports.



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<sup>1</sup> KPMG American worker report | Summer 2022, [read.kpmg.us/AmericanWorker](https://read.kpmg.us/AmericanWorker)



Still, the way many organizations approach training is outdated. With workloads increasing and available time decreasing, employees need to be able to find the information they need and quickly get back to work. **Learning in the flow of work** is becoming an imperative strategy for organizations to adopt to meet the need. This requires learning leaders to develop more personalized learning content targeted to each job role, department, and learner. Learning in the flow of work provides the context and support learners' need to effectively retain and apply knowledge on the job—and technology plays a crucial role in enabling this access.



However, training organizations are facing a myriad of challenges with the increased shift to hybrid and remote work arrangements, including connecting a dispersed workforce and providing learning when and where employees need it most. Learning leaders are faced with the task of developing a learning strategy that leverages the right tools and resources, targets the right skills and objectives, and is delivered in a timely and efficient manner. Many organizations do not have these things in place—and for those that do, they have needed to adapt existing processes to meet the sweeping changes to the way we work.

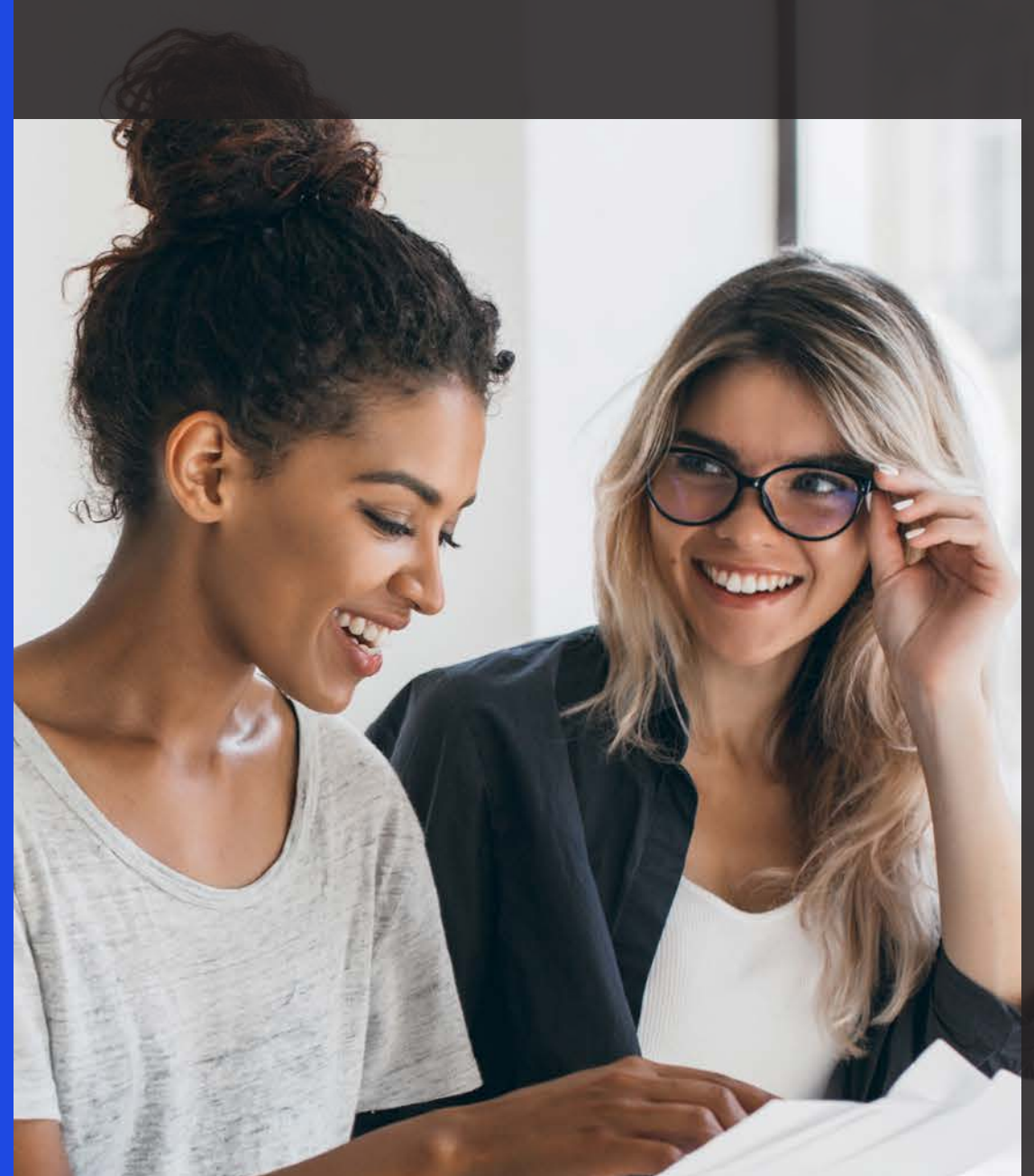
In late 2021, KPMG and Training Industry partnered for a research survey to explore what it takes for companies to optimize their approach to learning. The study examined responses from 317 medium-to-large organizations to determine how learning contributes to improved employee productivity and organizational performance. In this report, we will identify effective approaches to supporting employee performance, and how training, when leveraged correctly, can lead to increased business results in a rapidly changing business environment.

# Training's critical role in productivity

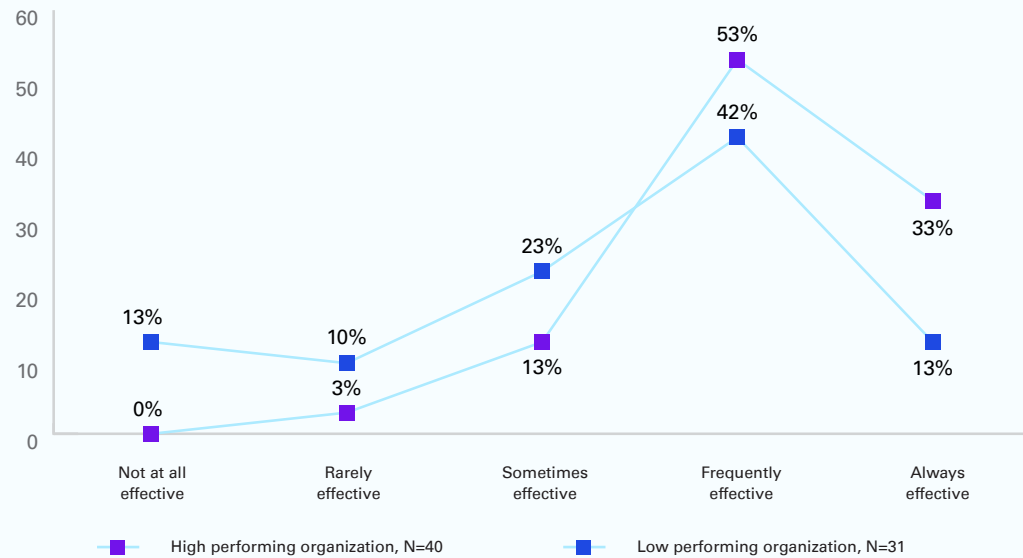
With today's employees prioritizing learning and development (L&D), organizations need to keep pace and deliver impactful learning solutions. However, not all training is created equal. Delivering effective training is more than developing a stand-alone program and expecting the course to translate to behavior change—let alone organizational impact. It must have an impact on results.

Effective training requires a blend of elements to create a successful outcome. Relying too heavily on one aspect can lead to lackluster results. For instance, providing access to training is not enough. Learning needs to actively support employee performance, not simply make more of it available. Building a learning library with general training programs will do little to move the needle on employee performance. Learning must be relevant and personalized to each role and department to truly drive change.

Additionally, relying on the support and buy-in from a few senior leaders will not provide enough momentum to drive meaningful impact throughout the organization. Learning must be engrained in the organizational culture to improve employee retention and satisfaction. Building a culture that values, champions, and supports the growth and development of its workforce is needed for training to benefit the organization's bottom line. High-performing training organizations leave little to chance. They do not merely assume training is effective—they have effective measurement practices in place to prove the value of training.



**Figure 1.** Effectiveness of training at driving productivity



With all this said, learning outcomes need to extend beyond learner engagement to drive business results. Training that delivers the most impactful results at the enterprise level is focused on improving employee productivity. Our research found that when an organization focused training activities on improving productivity, this predicted downstream positive change in corporate performance.

Figure 1 shows that 86 percent of high-performing organizations effectively use learning to improve employee productivity versus 55 percent of low-performing organizations.

Training can be a highly effective tool at increasing organizational performance, when leveraged correctly. To be successful, organizations must develop and refine their training process capabilities to turn training from a stand-alone event into a transformative experience for employees and the organization as a whole.

But where are most organizations when it comes to refining their training processes? In the next section, we'll examine what our research can tell us about the readiness of organizations to meet the learning needs that will drive productivity.



# Why training process maturity matters

When it comes to delivering effective training and the processes required to optimize learning for the organization, our research indicates that there's room for improvement for most organizations across a variety of processes. We examined organizations along the following training process capabilities:

- 1 Learning strategy
- 2 Content design and development
- 3 Reporting and analytics
- 4 Learning administration, logistics, and help desk services
- 5 Learning assessment
- 6 Curriculum management
- 7 Learning technology
- 8 Instructor training delivery services



We asked respondents to rate the maturity of their organizations' process capabilities using the following rating scale:



### Optimized

Subject to continuous improvement through the introduction of new and innovative approaches to better serve the organization's needs



### Managed

Monitored and regulated through data collection, analysis, and quality control processes



### Replicable

Standardized; successes are replicable because the approach has formally integrated processes



### Established

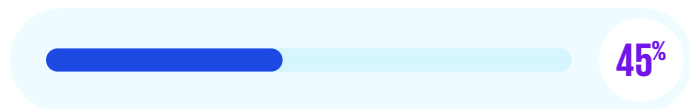
Defined and documented but not always consistently applied processes



### Fragmented

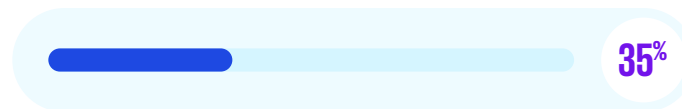
Ad hoc, unsystematic, and insufficiently defined and documented to allow for team member repetition

Based on the maturity ratings across the listed capabilities, organizations appear to fall into three main camps:



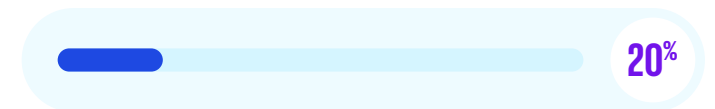
**Forty-five percent of organizations have most things in place (or at least think they do).**

Our data shows that multiple processes at these organizations are managed or optimized, and there are few weak spots in their ability to provide employee training.



**Thirty-five percent of organizations are having a hard time keeping any processes working at all.**

The organizations that fall into this grouping have several fragmented processes and have not been able to begin optimizing other capabilities.



**Twenty percent of organizations fall in between those two extremes.**

While these organizations have successfully managed some capabilities, they also have several areas where their processes fall short.

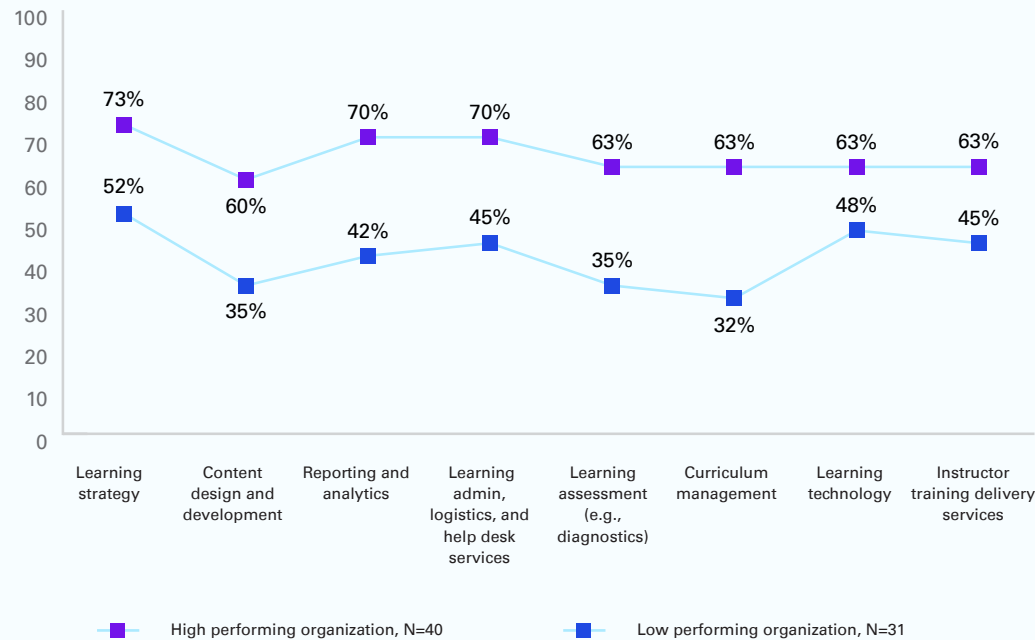


When looking at organization performance, it is interesting to note that high-performing organizations have more mature processes across all training capabilities when compared to low-performing organizations (Figure 2). While this is not necessarily surprising, as high-performing organizations are more likely to invest in L&D by a more than 3.2 percent margin in order to better refine their training process capabilities, our analysis also showed that mature processes were significantly correlated with organizational outcomes. Accordingly, our findings support the notion that mature training process capabilities can lead to greater business impact and performance.

Furthermore, as a company grows, process capabilities can backslide and become misaligned with learning needs, which can create an evolving set of challenges for companies. For instance, our data shows that even with high-performing organizations, growth can outpace training capabilities—28 percent of high-performing organizations indicated that at least one of their capabilities could be characterized as fragmented or barely established. In order to future proof their workforce and address long-term growth and sustainability, companies need to repeatedly take stock of their current training processes and consider what to anticipate as they grow in order to keep pace with change. Ultimately, training must scale to continuously meet the learning needs of an organization.

What’s the best way to scale? There’s no single superlative answer to that question. But for modern organizations, part of the answer involves learning technology solutions. In the last 20 years specifically, technology has invaded nearly every training process capability and it is increasingly becoming the fulcrum for training operations. In the next section, we’ll discuss how learning technologies shape productivity in addition to looking at what pieces form the learning stack for most organizations.

**Figure 2. Optimized/Managed training processes**



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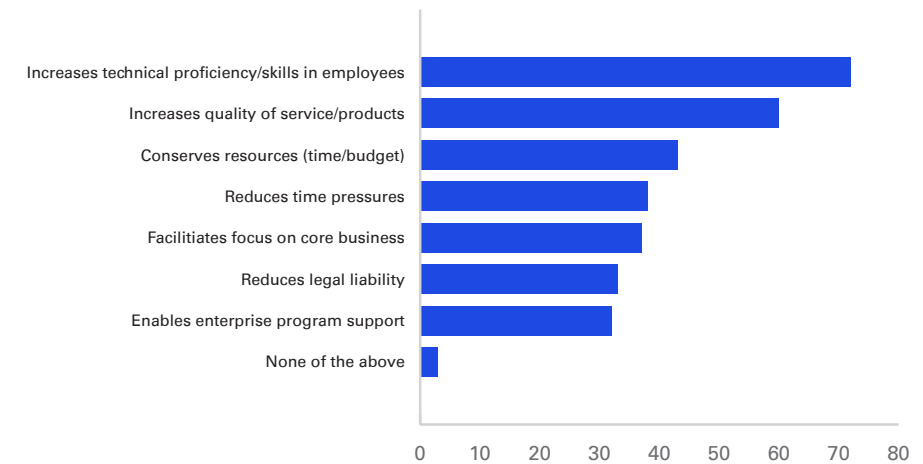
# The undeniable role of learning technology

Advancements in technology enable more efficient training delivery and can improve employee productivity. For instance, Figure 3 shows that learning technologies can help to increase technical skills in employees (72 percent), increase the quality of services and products (60 percent), and conserve company resources in the form of both time and money (43 percent).

Digging deeper, we found that companies selected an average of three reasons out of the choices shown in the figure. This implies that although each of these may be important on its own, the value of these impacts comes from their combined effect. While both high- and low-performing organizations tended to identify the same reasons, high-performing organizations selected an average of four. In other words, those seeing success are taking a broader view of the ways that learning and productivity intersect.



**Figure 3. Observed impacts of learning technology on productivity**



When looking at this data, the value of learning technology to productivity comes through two primary means:



**Increasing the technical ability of employees**



**Increasing the quality of the products and services that a company offers**

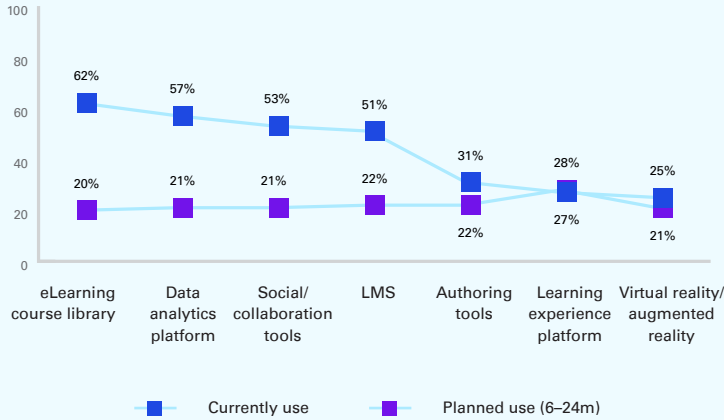
Learning technologies meet business needs in different ways and can solve a variety of problems, including upskilling and process efficiency.



As pervasive as learning technologies have become, however, they aren't yet ubiquitous. For those organizations planning to expand their learning stack, the most prominent reason was to improve employee satisfaction and well-being (60 percent), followed by obtaining better insights into organizational performance (46 percent), and expanding current learning offerings (45 percent).

In addition, the expansion of learning stacks to meet these needs can take many forms. As shown in Figure 4, over half of organizations already utilize tools such as eLearning libraries and learning management systems (LMSs). However, at least one-fifth of organizations are planning to invest and expand their learning technology capabilities across all different types of platforms and solutions—many of which can help to support learning in the flow of work.

**Figure 4. Current and planned learning technology usage**



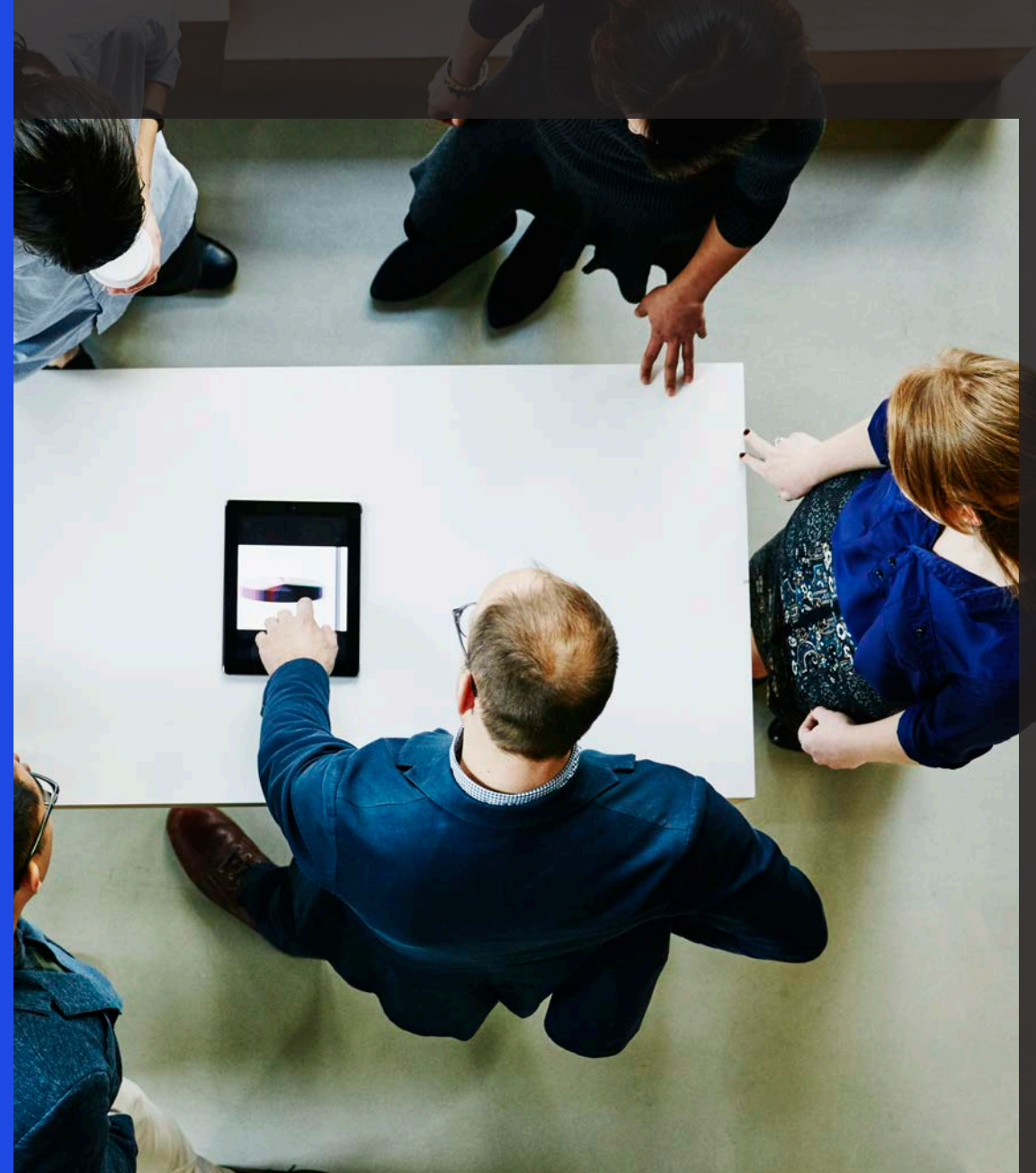
Ultimately, the companies that strategically harness the power of the solutions they use will produce more effective training, adopt training practices that foster a learning culture, and see those efforts reflected in business results. High-performing organizations are already connecting the dots between their learning technologies and business impact. Since there is no one-size-fits-all approach to training, organizations must be mindful of selecting the right tools and technologies that can increase the effectiveness of the training they deliver.



# Conclusions: Building a culture of productivity

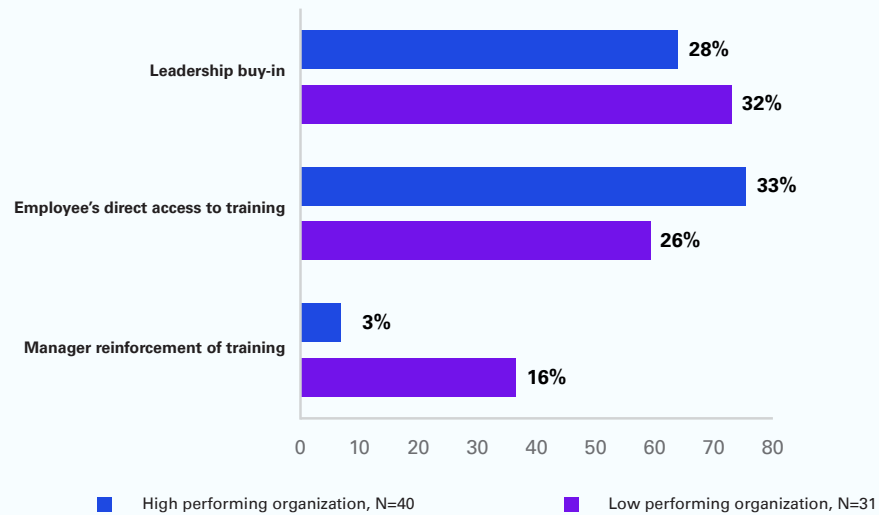
An organization's ability to deliver learning that is connected to on-the-job performance is a crucial component of business outcomes. Effective learning that supports individual performance is easy to access, aligned with broader business goals, and delivered effectively. This involves maintaining a simultaneously flexible and close coupling between learning strategy and learning technology.

Two keys to this coupling are shown in Figure 5 on page 12: leader/manager support and employee access. Our research shows, for high-performing organizations, their learning culture relies on buy-in from the top levels of the organization and maintaining the ability for learners to get the training they need when they need it. For low-performing organizations, the buy-in from leaders also needs to be paired with reinforcement at lower managerial levels—ostensibly less of a problem to solve for high performers. It is important to note that this was a ranking question, so the low percentages do not imply that a low number of organizations see these as critical factors. Instead, the data in the chart shows top rankings—out of a possible 12—to highlight the factors consistently seen as most important.



While culture supports coupling between learning strategy and learning technology, it needs to be nurtured and shaped over time to meet organizational needs, which is dependent on the depth and reach of an organization’s L&D capacity. When those needs outstrip capacity, organizations can close the gap by sourcing services and solutions from external partners. Whether that route is taken or the L&D function scales internally, the learning culture of the organization and the maturity of its training processes can serve to amplify or dampen the success of those efforts.

**Figure 5. Critical factors to maintaining a learning culture**



To find out if these things are truly related to each other, or if it all merely “sounds nice,” we analyzed whether productivity-focused training was related to other aspects of learning (Figure 6). We found very strong relationships between whether an organization’s training improves employee productivity and the effectiveness of those learning experiences, as well as with multiple forms of training support that are based in the learning climate of that organization (e.g., manager support for learning, organizational support for learning, and job alignment with training activities).

Looking further into the data, we also found significant relationships between productivity-focused training and the overall performance of the organization, its ability to retain employees and keep them satisfied, and the general maturity of their training processes as described earlier in this report. We also found a comparatively minor, yet significant, relationship between productivity-focused training and an increase in organizations’ training budgets.

**Figure 6. Relationships between training productivity and training factors**

Strong correlations with productivity-focused training	Medium correlations with productivity-focused training	Small correlations with productivity-focused training
Deeper learning climate	Better organizational performance	Positive changes in training budget
Greater training effectiveness	Better employee retention	
	Higher employee satisfaction	
	More training process maturity	

All these factors feed into each other to deliver training that translates into business impact. Our research suggests that organizations can realize the biggest return on their training investment when training activities are focused on improving productivity, as the predictive model showed that this productivity focus was the lone predictor of enterprise-level outcomes such as revenue growth.<sup>2</sup> This impact relies on the strength of a company’s learning culture, the maturity of their training practices, and a focus on desirable employee outcomes.

<sup>2</sup> F(7,265) = 5.68, p < .0001, R2 = 13.1%

# Suggested best practices for productivity through learning

## 1. Shore up deficiencies in process maturity

As stated earlier, only 45 percent of organizations have optimized most of their training processes, and even among those organizations things still aren't perfect. That means there are plenty of organizations out there failing to clear the bar, either because processes aren't in place and being monitored or there's disinterest or disorganization in adequately managing learning. To that end, Figure 2 can be used as a roadmap to the areas an organization might need help.

For instance, is an organization's training stumbling because of a lack of strategy, poor analytics, insufficient technology tools, or deficient instructors? A single process could be the culprit, but it may also be the cumulative effect of all these things. For organizations to better connect their training activities with the productivity of employees, there first needs to be solid processes and learning governance in place.

## 2. Build the appropriate learning stack to enable learning in the flow of work

For many organizations, their learning stack determines how much flexibility and scalability their employee training possesses. It's an all-too-common scenario where an L&D team is forced to use tools and platforms in ways they weren't designed to function in an effort

to compensate for a lack of the right solutions (e.g., attempting to use a file sharing/storage platform to make learning content accessible and track employee usage).

When these stopgaps are used, it forces the L&D team to improvise and solve the problem using a nonlearning tool rather than streamlining and maximizing individuals' access to content. To truly drive learning in the flow of work, "good enough" solutions are not good enough—especially when the difference between an employee getting the right information when they need it and in the format they need it in can be driven by things that seem minor, such as extra mouse clicks, log-in screens, or new browser tabs opening. While these may appear to be small nuances, they are the very things that take learning out of the flow of work. Organizations need to have the right learning technologies in place to optimize learning for their employees—when and where they need it most.

## 3. Foster a learning culture with open communication

Earlier, we suggested that learning culture has multiple pieces: manager-level support, organization-level support, and job-level support. At the job level, the alignment with training involves the fundamental design of the job and its tasks to enable employees to continuously learn and acquire new knowledge and skills for their roles. When it comes to manager-level

and organization-level supports, however, culture is shaped by the ongoing exchange between employees, their managers, and the organization. In other words, it's insufficient to merely craft a policy that encourages learning (but does nothing for standard practices that discourage it) or rewards newly learned skills if managers consistently fail to support on-the-job learning and innovation. The communication to employees about learning, through both their managers and the enterprise, is a critical ingredient to an organization being able to sustain a true "in-the-flow" culture of continuous improvement.

So, if an organization wants to answer the question, "Can we make our training better to support employee productivity?" our findings indicate there are other questions that need to be asked first, related to the maturity of training processes, the platforms, and technologies being deployed and the multifaceted nature of the culture for learning.

Ultimately, training can be an effective tool at improving employee productivity and organizational performance, but it must be a part of a holistic company strategy. And just like a food recipe, the strategy must include a variety of ingredients that are carefully curated, measured, and crafted to support a desired outcome.

# About this research



## About KPMG

KPMG Learning services integrates learning into the everyday flow of work, accelerates the upskilling process, and allows you to offer relevant resources and programs to employees at the time of need, helping to increase productivity through curated learning paths and customized content that is personalized, relevant, and meaningful to learners.

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## About Training Industry

Our focus is on providing dedicated business and training professionals the information, insight and tools needed to more effectively manage the business of learning. Our website spotlights the latest news, articles and best practices within the training industry.

For more information, visit [TrainingIndustry.com](https://TrainingIndustry.com).





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