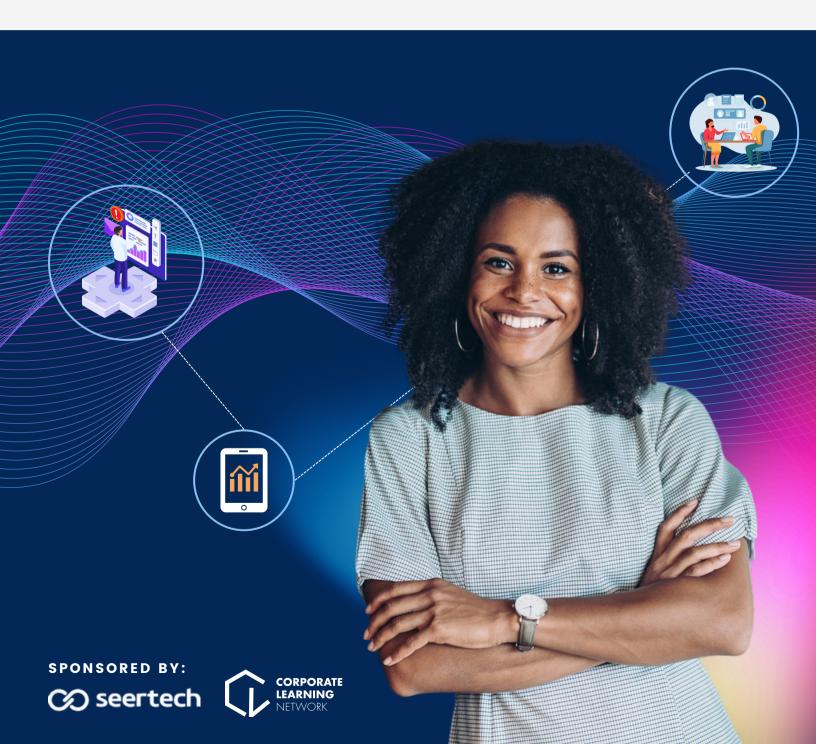
#### SPECIAL REPORT

# Why Learning Analytics is Your Secret Weapon to Business Success



#### **FEATURING INSIGHTS FROM:**



Adam Hickman
VP of Organizational
and Employee
Development
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Scott Mahoney
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To prove the impact of learning initiatives, organizations must align their measurement frameworks with the specific business outcomes they aim to achieve. Al accelerates this process, surfacing insights that not only validate success but also reveal new opportunities for more effective learning strategies.

However, the complex and ever-changing nature of data analytics poses challenges even for the most skilled L&D teams.

It can be challenging to identify which metrics convey a meaningful narrative that accurately represents employee performance and demonstrates a positive business impact.

This report advocates for a different approach: beginning with the business objective and working backward toward the learning program and necessary metrics.

We will also explore the strategies that learning professionals are currently employing for data analysis, as well as the role of Al in addressing many core issues related to data analysis.

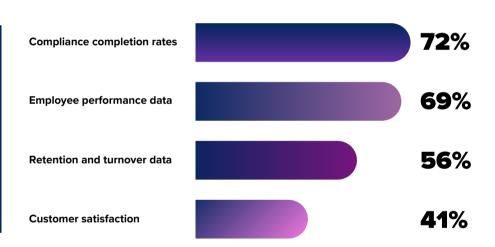
# THE CURRENT STATE OF L&D DATA COLLECTION

The ultimate goal of learning data collection and analysis is to illustrate the positive impact of L&D on the business. However, challenges arise when attempting to connect the dots – specifically, when collecting certain metrics but also demonstrating how they directly relate to a positive impact on the business.

We began by asking L&D leaders which metrics they are currently measuring to illustrate the business impact of L&D programs.

The tried and true metric of course participation and completion rates was the most popular response, with **72% of respondents reporting** that they track it for compliance learning.

HOW LEADERSHIP
IS MEASURING
THE BUSINESS
IMPACT OF L&D
PROGRAMS



#### The next most commonly measured metrics were:



Based on conversations with L&D executives, a close look at the effectiveness and meaning of course completion rates is warranted. How useful are completion rates of all course types, including upskilling in technical and human skill areas, when telling your L&D success story to the C-suite?

The L&D executives we spoke with agree that course completion rates don't provide a meaningful insight.

"The effectiveness of L&D isn't measured by completion rates alone; it's about real-world impact."

**Adam Hickman** VP of Organizational and **Employee Development** Partners, A Walt Disney Company





"L&D success should be measured more like a product or a campaign, to some degree.

Traditional measures like completion rates don't tell us much of anything. Instead, we should consider engagement metrics, adoption & application, and business impact."

Loren Blandon
Global Head of
Organizational
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& Talent Management
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Examining learning course completion rates through the lens of the Kirkpatrick Model can lead to a better understanding of its limitations. The Kirkpatrick Model outlines four optimal stages of learning measurement to effectively achieve and demonstrate the alignment of learning programs with organizational goals.

The first level measures the learner's reaction to the course, including engagement, which falls under the completion rate metric. Only in the subsequent levels do learning (level 2), behavior (level 3), and results (level 4) come into play.

Most L&D professionals only look at level 1 of the Kirkpatrick Model, but we need to be looking at all four levels to prove a link between the learning investment and business results that justify that investment. In fact, defining a goal and then working backward is actually the most effective method of approaching learning measurement."

Scott Mahoney
Chief Strategy Officer
Seertech Solutions



Starting with a concrete goal (for example, increasing sales or improving employee retention) ensures that learning programs are designed purposefully from the outset.

Instead of merely providing a content library or recommending potential courses, having a specific goal enables learning practitioners to create customized learning programs that effectively influence behavior and productivity. For instance, by starting with a concrete sales goal — such as increasing the lead-to-customer conversion rate — sales managers can work backward. They can outline the specific target number and identify the behaviors that need to change in order to achieve it.

If the team needs to develop their communication skills, learning practitioners can then design programs focused on this area of improvement, ensuring that the learning course is engaging and effective.



Defining this specific goal upfront may also present challenges. Mahoney asks, "Can you determine how your stakeholders define what 'good' results are?" He notes, "The business is the stakeholder that wants the program or thinks they need the program, but they're not necessarily communicating why, or what the goal is for the L&D team. And the L&D team isn't asking the right questions, because the L&D team is simply executing an order and not engaging as a partner and asking those questions."

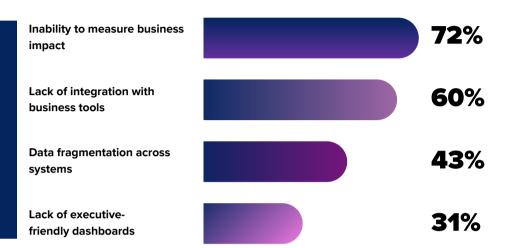
Having those tough conversations with stakeholders, ensuring that you speak their language, and asking them to communicate a concrete objective is key to creating an effective program that delivers to that objective.



## CHALLENGES AND SOLUTIONS: INTERPRETING AND ANALYZING DATA

CLN also asked about the challenges our audiences encounter when gathering and analyzing learning data.





#### MEASURING BUSINESS IMPACT

Unsurprisingly, the most significant challenge identified was the difficulty in measuring business impact (72%). Reverse-engineering learning strategy from target business outcomes can help clarify this process. However, utilizing data analytics is a technical process that can stump even the most experienced L&D professionals.

"Fortunately, AI is once again changing the game. It can provide not only the metrics it deems significant but also the reasoning behind their importance," says Mahoney. Alpowered tools enhance data analysis, allowing users without academic backgrounds or extensive expertise in business analytics to gain valuable insights. Al can reveal patterns and trends in large datasets that may elude human observation, including identifying skill gaps, measuring learner engagement, and detecting behavioral changes.

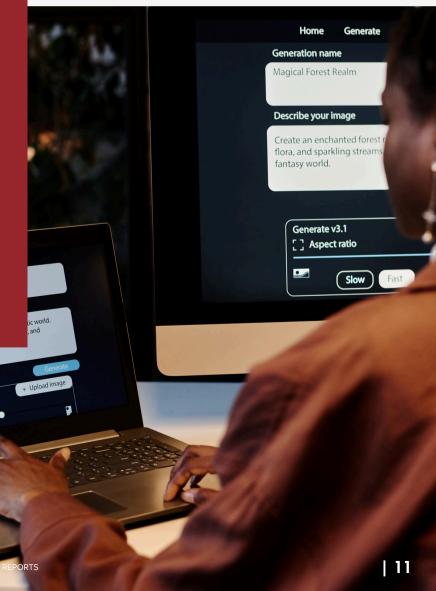
Regarding the demonstration of a link between learning programs and positive business outcomes, Al's predictive capabilities enable learning leaders, as mentioned above, to start with a business outcome and work backward. Al allows for the identification of a specific goal (e.g., improving customer satisfaction) and predicts which learning programs are most likely to help employees achieve this goal.

"Al guides you to what hypothesis you want to test and why it is important. It guides you to see trends. This might be a positive or negative trend. If it's a negative trend, we now have data to fix it. If it's a positive trend, we want to promote it. Al will give you a hypothesis on the meaning of the metrics it thinks are important and will tell you why. It will tell you whose paths could be changed by the data it's presenting."

Scott Mahoney
Chief Strategy Officer
Seertech Solutions

Additionally, many organizations consider employee retention a key objective and an indicator of the value of their learning programs. Instead of carefully comparing completion rates, test scores, and skill levels with employee attrition, Al provides a straightforward way to determine how participation in training courses contributes to employee retention.

Lastly, AI can swiftly and effectively analyze previous learning investments to evaluate their effectiveness and provide recommendations for future actions. Natural language processing significantly enhances learning analytics, enabling users to pose specific inquiries by simply entering a question.



#### **DATA INTEGRATION**

The next most common challenge with analyzing and interpreting learning data was a lack of integration with business tools (such as CRM, HRIS, etc.) and data fragmentation across systems. CLN's survey on L&D leaders' current approach to learning metrics and analytics highlighted a general area of concern: the challenge of organizing and consolidating data in order to extract the most helpful insights.

L&D professionals are looking for an easier way to correlate metrics with business performance. Specifically, they reported these metrics are most difficult to coordinate:



LEARNING ENGAGEMENT VS. PRODUCTIVITY





TRAINING COMPLETION VS. SALES PERFORMANCE



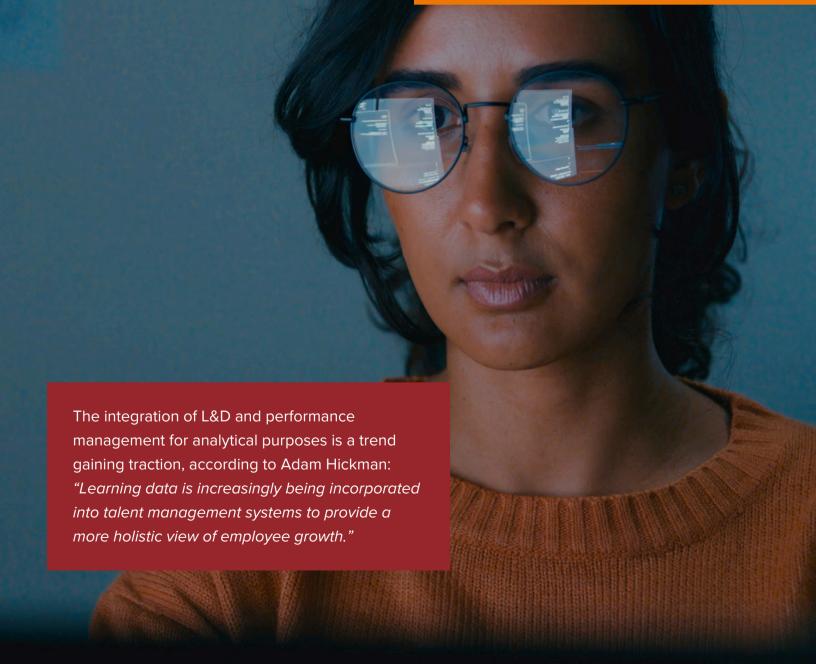
Learning systems that are fragmented instead of integrated can lead to a lack of data integration. Incorporating an Application Programming Interface (API) can address this issue by allowing for learning, HR, and other relevant software platforms to exchange data.

CLN survey respondents' average rating of the importance of having the ability to flexibly deliver learning content across multiple platforms was 4 out of 5.

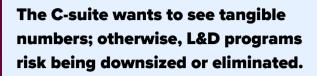
To accomplish this, systems must be able to share data. Integrating learning systems with each other and other software allows for data sharing.

**73**%

of CLN survey respondents said a unified, API-driven data system would improve their ability to make datadriven L&D decisions.



### CONCLUSION



An approach driven by tailored learning analytics reporting that responds to specific business objectives is essential.

Ensuring communication with business stakeholders to define these objectives before developing learning programs is crucial.

Leveraging AI to capture analytics that not only demonstrate the positive impact of learning programs but also propel the business forward by identifying opportunities to enhance performance and retention is becoming imperative.

Don't miss out on the future of L&D: transformative data.





#### **About the CLN Analysts Team**

This report was developed by the CLN Analysts Team, leveraging over 40 years of combined experience in Learning and Development (L&D). Our deep expertise in corporate learning enables us to provide valuable insights into emerging trends, innovative training strategies, and leadership development. By analyzing the evolving L&D landscape, we aim to equip organizations with the knowledge and tools needed to enhance workforce skills, implement cutting-edge learning technologies, and drive measurable success.

#### **Meet the Team**



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