CEGOS' EUROPEAN RESEARCH

OCTOBER 2019

TRANSFORMATION, SKILLS & LEARNING : how to address the future?

Key findings

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The Cegos Group, an international leader in professional and life-long training, has unveiled the results of its "Transformation, skills and learning" international survey.

The 2019 survey polled 1,780 employees and 240 HR & learning managers, all working in private-sector companies with 50+ employees in four countries: France, Germany, Italy and Spain.

Key findings at a glance

What are the major challenges of business transformation? What HR impacts do they have?

- One in three employees feel "overwhelmed" by technology
- European HR managers estimate that 42% of jobs are at risk of skills obsolescence over the next three years

How can training meet these challenges? With which stakeholders?

- For one out of two European HR managers, the main challenge in the coming years is to combine training and transformation
- According to 76% of HR managers, Business Departments are increasingly involved in team skills development actions
- 95% of employees in Europe say they are ready to train themselves to adapt to digital transformations

What are the strategic skills for the future?

- For HR managers, agility and adaptation, efficient work organisation and learning to learn are the three skills that employees in their company should master first

How to develop skills now and in the future?

- For 73% of European employees, the training solutions offered by their company are "relevant" and "effective"

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WHAT ARE THE MAJOR CHALLENGES OF BUSINESS TRANSFORMATION?

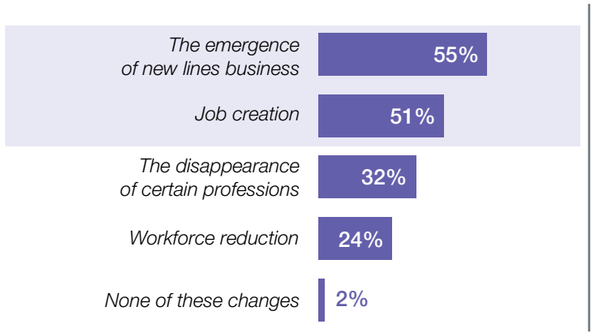
WHAT ARE THEIR IMPACTS?

Unlike to ambient noise, HR managers believe that the consequences of the current transformations will be more creative than destructive:

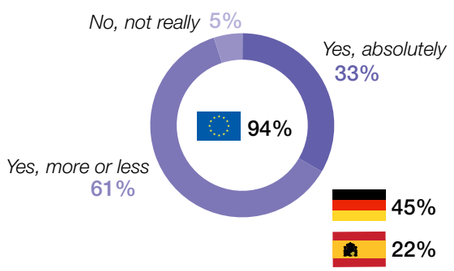
- 55% of European HR managers believe that their organisation will face the emergence of new business in the next five years. They are 57% in Germany and 62% in France
- 51% anticipate job creation (+5 pts)
- 32% the disappearance of certain professions (+3 pts)
- 24% anticipate workforce reductions
- 2% believe that nothing will change

Would you say that, in the next 5 years, your organisation will face:

HR



Is your company's Human Resources department preparing for these changes?



Supporting the transformations underway in terms of jobs and lines of business seems to be fully integrated into the missions of the HR departments. 94% of European HR managers say they are preparing for these changes. However, this result is mixed. Only 22% of respondents in Spain say they are fully prepared, compared with 45% in Germany.

Another illustration of the transformations underway concerns the relationship to technology:

- 31% of European employees feel that they are "overwhelmed" by technology (stable data vs 2018), compared to 27% of respondents in Spain and 36% in Germany.
- The concern of HR managers is even greater, since 53% (+12 pts) think that their employees actually feel overwhelmed by technology.

Beyond this feeling of being "overwhelmed", 39% of European employees simply fear that their jobs will disappear with the digital transformation. 51% of respondents fear it in France and 33% in Italy.

Nevertheless, employees and HR managers have confidence in their organisation's ability to anticipate and support digital transformation.

- 92% of HR managers have confidence in their organisation's ability to support these changes
- 80% of employees have the same confidence in their Human Resources Department.
- 89% of HR managers believe that the impact of digital technology on businesses and skills is an issue that they began to consider in their organisation.

> **Christophe Perilhou,** Learning & Solutions Director at Cegos explains:
>
> *"Today it's a consensus: the question is no longer whether organisations will transform themselves (they already do!), but how they do it. Our survey shows that a significant proportion of employees are certainly apprehensive about technological developments. At the same time, they have a high level of confidence in their organisation's ability to anticipate and support these changes. More and more HR managers themselves are seizing the subject. We often see with our major clients, a crucial issue: which is getting teams on board and making sure everyone is involved."*

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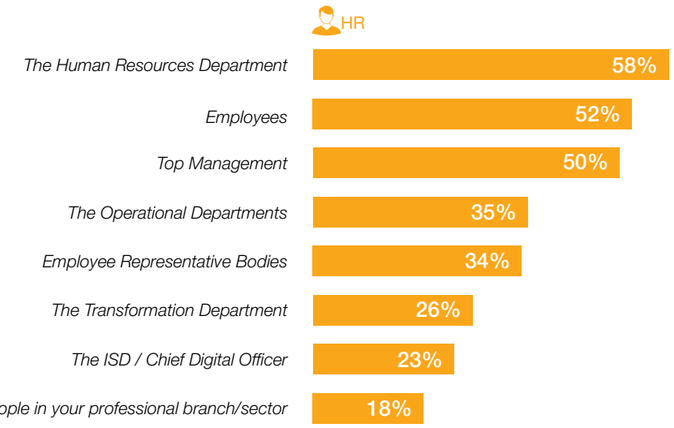
HOW CAN TRAINING MEET THESE CHALLENGES?
WITH WHICH STAKEHOLDERS?

To face the impacts of digital technology on businesses and skills, **64% of European HR managers place training as the most important means used**, ahead of work reorganisation (56%) and recruitment (41%).

89% of employees and 93% of HR managers believe that skills development is considered by their company as a strategic lever; a figure that has been stable for several years.

This lever, which is considered strategic, is no longer the prerogative of HR managers. From employees to the general management, via the operational departments, with the HR managers on the front line: **the development of skills permeates the entire social body of the organisation.**

In your organisation, who is involved in considering skills development ?



Operational departments ("business" departments) are increasingly involved in team skills development actions, according to 76% of European HR managers. 73% of German and 78% of French HR managers share this observation.

Employees themselves seem to want to take more and more responsibility for their training:

- 56% of employees believe that skills development is a responsibility equally shared between the company and the employee (down -9 points over one year).
- 15% believe that it is mainly an employee's responsibility: that's six points more than in 2018. While this is still a weak signal, employees' willingness to take charge of their training is not negligible, even if they are still waiting for effective support from the company to choose the right means and appropriate initiatives.

In the same vein:

- **95% of European employees claim to be ready to train themselves to adapt to digital transformations**
- 55% are willing to finance part of their training themselves
- 78% are willing to take training courses outside their working hours. Not surprisingly, this is even more true among managers than among non-executives

Christophe Perilhou, Learning & Solutions Director at Cegos explains:

"The acceleration of transformations has a strong impact on Human Resources Departments, and in particular on the Learning & Development function. On the one hand, the increasing involvement of the Business Departments, coupled with the multiplication of available means and the need to train ever more quickly, raises questions about the role and value proposition of the L&D function. On the other hand, there is now a whole range of individual training that is invisible to the organisation, including web-based learning. All this requires the training function to transform itself in order to better support the transformation of skills."

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WHAT ARE THE STRATEGIC SKILLS FOR THE FUTURE?

According to European HR managers, 42% of jobs in their companies are at risk of skills obsolescence over the next three years. A forecast shared by European employees, since 44% of respondents feel that they no longer have the necessary skills to do their job properly.

Faced with this worrying observation, European HR managers believe training provides a means of adapting to changes in the workplace (in 44% of cases), then accessing a new job (31%) and finally managing basic skills (reading, writing, counting) more effectively (25%).

In terms of skills development, for nearly one in two HR managers, the first challenge is to combine training and transformation. The second challenge is to combine the organisation's needs and employees' expectations in terms of training:

In your opinion, over the next few years, what are the 3 most important challenges to be met in order to better develop employees' skills?

What about skills?

European employees say that they believe they master tranverse soft skills "perfectly".

- 61% believe they have an efficient work organisation.
- 56% say they are agile. Only 43% of respondents say so in Germany while 62% mention it in Italy.

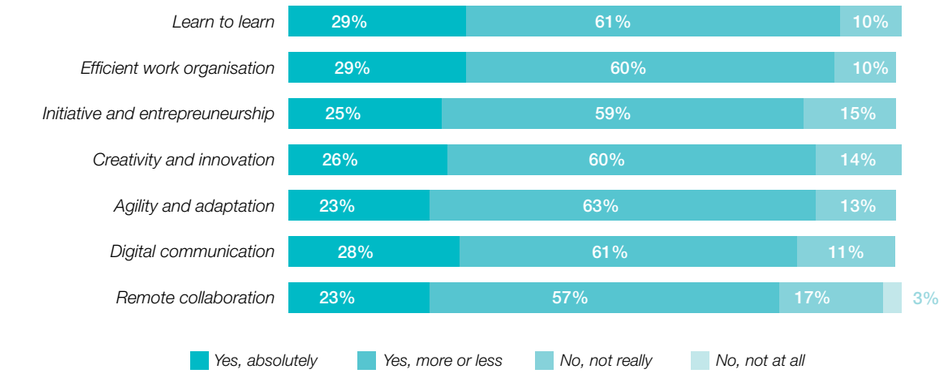
This is quite appropriate, since for HR Managers these skills are those that employees should master first.
In addition:

- 54% of employees believe they master the "learning to learn" skill perfectly
- 50% for "digital communication"
- 46% for "remote collaboration"
- 45% for "creativity and innovation".

Positive point: the willingness of employees to train in order to progress. Indeed, a very large majority of Europeans say they are ready to improve on skills that they only partially master or that they do not master at all.

Employees

Would you like to improve on this transversal skill ?



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HOW TO DEVELOP SKILLS, NOW AND IN THE FUTURE?

The level of satisfaction of European employees with the training system of their companies remains stable and positive: 7.2/10.

More specifically, 83% of employees in Europe use the training solutions offered by their Human Resources Department.
They are 78% in Germany and 86% in Spain.

- 73% find them relevant
- 72% consider them effective
- 61% find that they are made available quickly

When European employees are asked about how training should evolve in their company:

- **47% believe that on-job training and application of learning in the workplace should be encouraged and facilitated**
- 38% would like to see more individualised training courses and career paths
- 30% believe training solutions should be more interactive and more entertaining

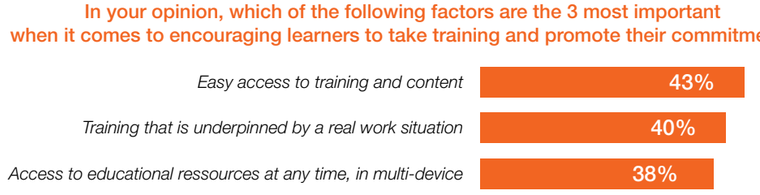
European HR managers have stronger preferences for on-the-job training (53%) and for individualisation of careers (50%).

So what are the most important factors in motivating the learner to take training and encourage his commitment?

Employees first quote "training that is underpinned by a real work situation", then "easier access to training and content" and support by a tutor. HR managers prefer "easy access to training content" :

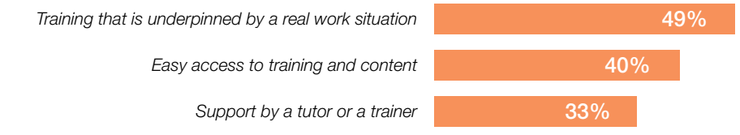
HR

In your opinion, which of the following factors are the 3 most important when it comes to encouraging learners to take training and promote their commitment?



Employees

Which of the following factors are the 3 most important to commit to training ?



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José Montes,
Cegos Group Chairman, concludes:

"This 2019 Cegos survey highlights the main challenge companies are facing in Europe today: the obsolescence of social skills in an evolving economy. It is a change that we have not experienced on this scale since the industrial revolution.

For people, continuous learning is no longer an option. Everyone must be able to train regularly to adapt to fluctuations and changes in their workstation, business or professional environment. This professional agility is already a decisive employability asset today. For companies, skills development is a strategic investment since the permanent adaptation of teams is a major lever for attractiveness and competitiveness.

Learning & Development must therefore continue its transformation to meet the aspirations and needs of people and economic players alike, with a single aim: from skills to performance."

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