

A Learning Opportunity

Why today's economy favors an evolving role for L&D

By Adina Sapp

The talent market is the tightest it has been for many years, with record low unemployment. This is leading CEOs to focus even more acutely on attracting, retaining, developing and promoting talent. Adding fuel to the fire is the strong economy along with the windfall for businesses provided by the Tax Cuts and Jobs Act. This provides opportunities for learning and development (L&D) leaders to take advantage of a willingness to invest and respond to this new reality. And while some organizations are using extra cash for one-time bonuses and pay increases, Patrick Donovan, senior vice president of education advisory services at EdAssist (a division of Bright Horizons), argues for a different approach.

Donovan notes that investing in employee education has more long-term organizational impact than pay raises, pointing to recent research showing that lifelong learning investment increases employee engagement by 64 percent and retention by 43 percent.¹ And for younger generations in particular, personal development is critically important. Both millennials and Gen Zs tend to prioritize their own development over other job components, and many feel they aren't getting the support they need from the formal education they completed before starting their career. A recent survey shows that 65 percent value tuition assistance as one of the best benefits offered by employers, and 79 percent would choose a job with strong development potential over one with pay increase potential.²

But what is the best way to provide educational solutions which generate excitement for today's employees and address business priorities? The first step is to take a fresh look at learning and development.

An Evolving Role

There are many reasons to develop employees, and most of them aren't new. "What is changing, however, is the role of L&D in the organization," Donovan says. "There is a blurring of the lines as L&D changes fundamentally from training delivery to resource curation." Leading L&D

teams are increasingly focused on providing a mix of internal and external learning options that are specifically targeted to distinct employee roles.

"L&D leaders should know their business and talent needs, both present and future, and they should know the priorities their company attaches to different learning modalities, programs and academic institutions," Donovan says. "There are literally thousands of education choices when you calculate the different institutions, degrees, courses and education methods, and that scale of choice is frightening for most people. By presenting a smaller subset of the choices and organizing them into more manageable pathways, along with ideas about how employees can navigate them, they can present just the right learning options at just the right moment."

"It's important to provide a high level of confidence that if busy employees commit to an external program there will be a reward for them at the end of it."

— Patrick Donovan

But even if you help them better navigate educational choices, many employees remain reluctant to invest time, money and effort in going back to school if there is no materially higher probability of a job or promotion at the end of the route they choose. This is where learning experts come in.

Educational coaching can guide employees to choices, whether internal or external, that align closely with career paths and upcoming availabilities at the organization. "It's important to provide a high level of confidence that if busy employees commit to an external program



there will be a reward for them at the end of it," Donovan says. The employer also benefits from the lower costs of internal hiring versus external recruiting.

Tuition Reimbursement Programs

Along with the shift to resource curation, there is a need to broaden the range of programs covered by tuition reimbursement programs. At many organizations, reimbursement is still limited to degree-based programs. However, the need to acquire job-specific skills more quickly is driving a shift in value from traditional degrees to certificates and certifications, as well as newer education formats such as MOOCs. "Increasingly we are seeing organizations becoming less rigid about the education choices they're willing to underwrite for their employees, because they see the business impact," Donovan says.

By liberalizing education benefits and supporting these shorter, lower-cost education programs, organizations

will save education dollars and deliver skills more quickly. This impact is strengthened when these programs are integrated into a tuition reimbursement program with expert educational guidance to help employees take full advantage of these new options.

Organizations that choose to take advantage of a strong economy and tax-cut dollars to invest in employee education will see a positive impact on critical business metrics such as retention, talent acquisition, job performance and employee engagement. Funding education is a tangible way to demonstrate commitment to employee development, which will address the talent shortage, further organizational goals and ultimately improve the bottom line.

A division of Bright Horizons, EdAssist manages tuition programs for leading employers and provides expert advice to employees regarding learning opportunities. Learn more at edassist.com.

¹ AACSB (2018). *To Empower Learning Over a Lifetime*.

² Eliot Masie (2016). *Is It Working? The Bottom Line Business Impact of Your Investment in Learning*.