

## **Trends in Learning and Development: A Comparative Analysis of Service, Manufacturing and IT and ITES Sectors**

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**Abstract:** *The purpose of this paper is to identify emerging trends in learning and development in India and compare them based on the nature of business of the organizations such as service, manufacturing and IT & IT-enabled services. An exploratory study was conducted by administering a questionnaire on in India. 185 filled-in questionnaires collected from learning and development practitioners representing different types of the organizations were considered for the analysis. The alignment of training strategy and business goals was found at high extent in the organizations. In comparison, this alignment was higher in the IT&ITS sector than the manufacturing and service sectors. Training hours per employee were lesser in the manufacturing sector when compared to the service and the IT&ITES sectors. Overall, linking performance, closing gaps, frontline leadership were the topmost three trending topics. However, in comparison, 'innovation' emerged as the third most important topic that would influence the IT&ITES. Overall, building a culture that supports talent development initiatives, building leadership pipeline, and knowledge transfer were the topmost three challenges. However, leveraging technology emerged as the second biggest challenge for IT&ITES. Live instructor-led real classroom method of learning was the mostly used method in all three types of the organizations.*

### **Introduction**

Increasing globalization, uncertain economic conditions, advances in technology, changing demographics in the workforce with increasing expectations of employees heavily influence corporate business environment worldwide. India has no exemption of getting affected by these trends in the context of considering this country as an emerging talent powerhouse, predicted to be among the world's five largest economies and viewed by investors, businesses, and tertiary education providers as a land of opportunities (Budhwar, & Varma, 2011, Pio, 2007, Rao & Varghese, 2009). Learning and development departments of business organizations have to impart knowledge, skills, abilities and attitudes required for successful performance of employees in this complex and rapidly changing business environment and make the employees perform better by demonstrating appropriate work behaviors. The learning strategy, focus areas of L&D, learning contents, and delivery methods will have influence of overall changes taking place in the business environment.

### **The Study**

In this context, the present study makes an attempt to identify emerging trends in the field of learning and development in India and compare the trends based on the nature of business

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Trends in Learning and Development: A Comparative Analysis of Service, Manufacturing and activities of organizations such as service, manufacturing and IT & IT-enabled services. Association of Talent Development (ATD) conducted a global study on trends in talent development in 2015 covering North America, Latin America, Europe, Middle East, Africa and Asia-Pacific region. Replicating some of the areas of this study, a questionnaire was prepared to collect information on various aspects of learning and development from the learning and development professionals working in different organizations in India. They were requested to give answers to the questions based on their organizations' learning and development strategies and policies. There were different types of questions in this questionnaire such as open-ended questions, multiple-choice items (e.g. biggest challenges for learning and development), questions, which required answers on a five-point scale (e.g. alignment of learning strategy and overall business goals). 185 filled-in questionnaires collected from learning professionals representing different types of the organizations were considered for this study. The data was analysed qualitatively and quantitatively, using frequency distribution, percentages, assignment of ranks based on percentages, and mean scores. It is evident Table 1, 48.65% the sampled organizations belonged to the service sector, covering architecture, audit and accounting firms, banking, business services, consultancy firms, e-commerce companies, educational institutes, financial services, health care, hospitality, infrastructure, insurance, logistics and supply chain companies, media, outsourcing HR and training, real estate, retail, telecommunications, and travel businesses. 30.81% of the sample represented the manufacturing companies in the fields of automobile, cement, construction, consumer goods, electronics, electrical, medical device manufacturing, oil and gas, pharmaceutical, steel and textile companies. The remaining 20.54% were the IT and IT enabled services.

**Table 1: The Sample Distribution**

| Nature of Business | Frequency | %     |
|--------------------|-----------|-------|
| Manufacturing      | 57        | 30.81 |
| Services           | 90        | 48.65 |
| IT&ITES            | 38        | 20.54 |

Ownership-wise, an overwhelming of the organizations belonged to private sector, which included Indian companies operating exclusively in India, Indian multinational and foreign multinational companies. On an average, these organizations employed 5530 employees with a minimum of 250 and maximum of 20,000 employees. An overwhelming majority of them established separate learning and development wings, primarily as a part of Human Resource (HR) department. In a few case, particularly, small organizations assigned this responsibility to the HR professionals. Every organization had a training policy indicating training hours per each employee.

### **The findings**

**Reporting Status:** The positioning of learning and development function in an organizational structure indicates the importance given to this function. An attempt is made in this study to find out the status given to learning function in the organizational structure. As presented in Table 2, overall, over three-fourth of the learning and development departments reported to Head- HR, indicating that learning and development is an integral part of HR function. This is consistent with the findings of ATD research (2015). However, it is significant to note here that, overall, nearly one-tenth of the learning and development departments directly reported to Chief

Executive Officers of their respective organizations. In case of 7.03% of the organizations, learning and development reported to Chief Operating Officer. This emerging trend indicates the increasing importance of learning function. Comparatively speaking, it is found that, in the manufacturing sector, 7.02% of the learning and development departments reported to line professionals such as Technical Director and Vice-President (services), but none of the learning and development departments in the service sector or the IT & ITES reported to line professionals. Other than this, there were not much significant differences in the reporting status of the learning function between the three types of organizations.

**Table 2: To Whom Learning and Development Function Reports?**

| L&D function reports to: | Service sector |       | Manufacturing |       | IT & ITES |       | overall   |       |
|--------------------------|----------------|-------|---------------|-------|-----------|-------|-----------|-------|
|                          | Frequency      | %     | Frequency     | %     | Frequency | %     | Frequency | %     |
| Head HR                  | 75             | 83.33 | 41            | 71.93 | 35        | 92.11 | 151       | 81.62 |
| Chief Operating Officer  | 7              | 7.78  | 4             | 7.02  | 2         | 5.26  | 13        | 7.03  |
| Chief Executive Officer  | 8              | 8.89  | 8             | 14.04 | 1         | 2.63  | 17        | 9.19  |
| Line Professionals       | 0              | 0     | 4             | 7.02  | 0         | 0     | 4         | 2.16  |

### **Alignment between Learning Strategy and Overall Business Goals**

High level of alignment between learning strategy and overall business goals of an organization enables the learning and development function to contribute effectively for improving the business performance. The respondents representing various organizations were asked to rate the extent of alignment of learning strategy with their organizations' overall business goals on a five-point scale, 1 being 'not at all' and 5 being 'very high extent'. Overall, the alignment of learning strategy and overall business goals seemed to be at 'a high extent' as the overall mean score is calculated as 3.92 on a five-point scale. This is similar to the findings of ATD research (2015). Comparatively, it is observed that this alignment was higher in the IT& ITES companies than the manufacturing and service companies. In fact, two sampled organizations from the service sector and one from the manufacturing 'not at all' aligned their business goals with their learning strategy.

### **Trending Topics and Influences**

Changes taking place across the globe in the business environment would influence learning and development. The respondents representing the sampled organizations were asked to identify trending topics that will have most influence on learning and development in their organizations in the next three years. It is evident from Table 3 that, overall, linking performance, closing gaps, frontline leadership were the topmost three trending topics that would influence L&D in the next three years. This is consistent with the findings of ATD research (2015). However, it is observed in this study that, there were slight differences between the service, manufacturing and the IT&ITES companies. In case of the IT&ITES, the topic, innovation occupied the third position, which secured fourth position in the manufacturing and service organizations. It is interesting to note that the topic of informal and social learning secured fifth position across all types of the organizations of the study. Overall, a few respondent only selected mobile learning and big data as key influencers.

**Table 3: Trending Topics**

| Rank | Service sector                  | Manufacturing sector            | IT & ITES                       | Overall                         |
|------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| 1    | Linking learning to performance | Closing skill gaps              | Linking learning to performance | Linking learning to performance |
| 2    | Frontline leadership            | Linking learning to performance | Closing skill gaps              | Closing skill gaps              |
| 3    | Closing skill gaps              | Frontline leadership            | Innovation                      | Frontline leadership            |
| 4    | Innovation                      | Innovation                      | Frontline leadership            | Innovation                      |
| 5    | Informal and social learning    |

**Challenges for Learning and Development**

External business environment and internal factors may create pressing challenges for the learning function. The respondents of sampled organizations of the study were asked to identify the most pressing challenges in the next three years. It is evident from Table 4 that, overall, building a culture that supports talent development initiatives, building leadership pipeline, and knowledge transfer were the topmost three challenges of learning and development. It is significant to note here that this is consistent with the finding of ATD research (2015) with respect to top three challenges of the Asia-Specific region. However, nature of business-wise, this study could find some differences. Building a culture that supports talent development initiatives was placed in first position in the service and IT&ITES sectors. But building leadership pipeline was the topmost challenge in the manufacturing sector. Leveraging technology was the second biggest challenge for IT&ITES, whereas it was in the third position in the service sector and in the fourth position in the manufacturing sector. However, all the three sectors were clearly in agreement in giving the fifth position to enlisting senior management support for learning and development initiatives as a challenge for the learning and development function.

**Table 4: Biggest Challenges**

| Rank | Service sector  | Manufacturing sector  | IT & ITES   | Overall   |
|------|---|---|---|---|
| 1    | Building a culture that supports talent development initiatives | Building leadership pipeline                                    | Building a culture that supports talent development initiatives | Building a culture that supports talent development initiatives |
| 2    | Building leadership pipeline                                    | Building a culture that supports talent development initiatives | Leveraging technology for learning                              | Building leadership pipeline                                    |
| 3    | Leveraging technology for learning                              | Knowledge transfer  | Building leadership pipeline                                    | knowledge transfer  |
| 4    | Knowledge transfer  | Leveraging technology for learning                              | Knowledge transfer  | Leveraging technology for learning                              |
| 5    | Enlisting senior management support                             |

### Focus Areas

ASTD competency study (Arneson, et.al, 2013) identified 10 areas of expertise for learning and development profession. They are: instructional design, training delivery, evaluating learning impact, managing learning programs, learning technologies, performance improvement, integrated talent management, coaching, knowledge management, and change management. Changes taking place in business environment may require learning and development professionals to focus certain areas of expertise in the next three years. The respondent learning and development professionals were asked to rate these focus areas in terms of importance to their respective organizations in the next three years, on a five-point scale, 1 being 'not at all' and 5 being 'very high extent'. Based on the overall mean scores, training delivery, managing learning programs, and knowledge management were identified as the topmost three focus areas for the learning and development function in the next three years. But ATD research (2015) identified performance improvement, training delivery and managing learning programs as the biggest areas. Thus the findings of this study differed from the ATD research (2015). Comparatively speaking, there is a disagreement in all the three sectors with respect to critical areas of focus in ranking. Training delivery was the biggest area for the service and the IT&ITES organizations. But change management was the most important area of concern for the manufacturing sector. All the three types of the organizations differed completely in their second area of focus. Integrated talent management secured second position in the service sector, whereas coaching got this position in the manufacturing sector and managing learning programs in the IT&ITES.

**Table 5: Focus Areas**

| Rank | Service sector               | Manufacturing sector       | IT & ITES                    | Overall                      |
|------|------------------------------|----------------------------|------------------------------|------------------------------|
| 1    | Training delivery            | Change management          | Training delivery            | Training delivery            |
| 2    | Integrated talent management | Coaching                   | Managing learning programs   | Managing learning programs   |
| 3    | Managing learning programs   | Knowledge management       | Knowledge management         | Knowledge management         |
| 4    | Performance improvement      | Managing learning programs | Learning technologies        | Integrated talent management |
| 5    | Change management            | Training delivery          | Integrated talent management | Learning technologies        |

### Learning Content Areas

The respondents were asked to identify the most important learning content areas for their respective organizations for the next three years. Overall, they identified managerial and supervisory content, professional-specific or industry-specific areas and interpersonal skill area (Table 6). As far as this aspect is concerned, there is a slight difference between the findings of this study and ATD research (2015). In ATD research (2015), managerial and supervisory, interpersonal skills and executive development secured the first three positions in the Asia-Pacific region. The comparative analysis of the three types of business organizations of the present study indicates that managerial and supervisory learning content was the topmost important content for the service sector. But interpersonal skills training was the highest priority

Trends in Learning and Development: A Comparative Analysis of Service, Manufacturing and for the manufacturing sector and the training related to processes, procedures, and business practices was topmost priority for the IT&ITES.

**Table 6: Learning Content Areas**

| Rank | Service sector                             | Manufacturing sector       | IT & ITES                                  | Overall                                    |
|------|--|----------------------------|--|--|
| 1    | Managerial and supervisory                 | Interpersonal skills       | Processes and procedures                   | Managerial and supervisory                 |
| 2    | Professional-specific or industry-specific | Managerial and supervisory | Interpersonal skills                       | Professional-specific or industry-specific |
| 3    | Executive development                      | Executive development      | Professional-specific or industry-specific | Interpersonal skills                       |
| 4    | Interpersonal skills                       | Processes and procedures   | Managerial and supervisory                 | Executive development                      |
| 5    | Mandatory                                  | Mandatory                  | Executive development                      | Processes and procedures                   |

### Delivery Methods

Changes are taking place in training and development with the advent of technology. Now-a-days, in addition to live instructor-led real classroom methods, many technology based delivery methods are available for organizations. The respondents were asked to rate the extent of use of various delivery methods in their respective organizations on a five-point scale, 1 being 'not at all' and 5 being 'very high extent'. Based on the mean scores, the rank order was given and the same is presented in Table 7. It is significant to note that amongst the advances in technology, internet capability, software applications and growing adoption of mobile devices, the traditional live instructor-led real classroom method of learning was the mostly used method in all types of organizations. This is consistent with the findings of ATD research (2015). This is followed by live instructor-led virtual ((online) classroom method. There is an agreement between the service, manufacturing and IT&ITES organizations in this regard. In the third place, the IT&ITES companies used live instructor-led remote event methods such as satellite, video conferences and teleconferences, whereas the service and manufacturing sectors used self-paced online methods for training.

**Table 7: Delivery Methods**

| Rank | Service sector                                    | Manufacturing sector                         | IT & ITES                                    | Overall                                      |
|------|---|--|--|--|
| 1    | Live instructor-led real class rooms              | Live, instructor-led real class rooms        | Live, instructor-led real class rooms        | Live, instructor-led real class rooms        |
| 2    | Live instructor-led virtual ((online) class rooms | Instructor-led virtual ((online) class rooms | Instructor-led virtual ((online) class rooms | Instructor-led virtual ((online) class rooms |
| 3    | Self-paced (net worked) online methods            | Self-paced (net worked) online methods       | Instructed-led remote event                  | Self-paced (net worked) online methods       |
| 4    | Mobile technology                                 | Instructed-led remote event                  | Self-paced non-networked methods             | Instructed-led remote event                  |
| 5    | Self-paced non-networked methods                  | Mobile technology                            | Mobile technology                            | Mobile technology                            |

### **Formal Learning Hours**

Every organization covered in this study had a training policy prescribing formal hours of training for each employee as a separate activity, not embedded in work activities. The respondents were asked to mention the average of formal learning hours received by an employee during the last year. Based on the information given, it is calculated that, overall, every employee received 33 hours of training during the last year. Comparatively speaking, the formal learning hours were found to be lesser in the manufacturing sector than the service and IT&ITES organizations. ATD research (2015) stated that worldwide, an employee receives an average of between 30 and 40 learning hours per year, which is not statistically different across the regions. Thus the findings of this study are consistent with the ATD research (2015).

### **Conclusion**

Based on the analysis presented above, it may be concluded that the learning and development departments reported to Head- HR, indicating that learning and development is an integral part of HR function. However, there is an emerging trend that in some organizations the learning function reported directly to CEO and COO reflecting increased importance of the learning function. In comparison, there is not much difference between the manufacturing, service and IT& ITES organizations. Overall, the alignment of learning strategy and overall business goals seemed to be at a high extent. Comparatively, it is observed that the IT&ITES companies were better placed on this alignment than the manufacturing and service companies.

With regard to the topmost trending three topics, it may be concluded that, on the whole, linking performance, closing gaps, frontline leadership were the topmost trending topics that would influence learning and development in the next three years. However, in comparison, the topic of innovation has emerged as third topic that would influence IT&ITES. As far as challenges are concerned, it is found that, overall, building a culture that supports talent development initiatives, building leadership pipeline, and knowledge transfer are the topmost three challenges of learning and development. However, leveraging technology has become the second biggest challenge for the IT&ITES companies.

With respect to focus areas, overall, training delivery, managing learning programs and knowledge management has emerged as the topmost three focus areas for the learning and development function in the next three years. But comparative analysis found that training delivery is the biggest area for service and the IT&ITES organizations, whereas change management took this position in the manufacturing sector.

With regard to learning content areas, overall, managerial and supervisory content, professional-specific or industry-specific areas and interpersonal skill have emerged as the topmost three areas. But in comparison, it is found that managerial and supervisory learning content is the topmost important for the service sector, But interpersonal skills has occupied this position in the manufacturing sector. In case of the IT&ITES companies, the content related to processes, procedures, and business practices is the topmost priority. As far as training delivery methods are concerned, live instructor-led real classroom method of learning is the mostly used method. This is followed by live instructor-led virtual ((online) classroom method. There is an agreement between the service, manufacturing and IT&ITES organizations in this regard. With regard to training hours per employee, overall, every employee received 33 hours of training during the last year. Comparatively speaking, the formal learning hours were found to be lesser in manufacturing sector than service and IT&ITES organizations.

## Trends in Learning and Development: A Comparative Analysis of Service, Manufacturing and

In the ultimate analysis, it may be stated that observing and reacting to the trends is an essential part of developing an effective training and development policy and practice (Phillips, 1999). Organization in India may use the trends to benchmark their training policies and practices.

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