

Developing and Sustaining a Performance Ready workforce

How intelligence, digital tools and the right approach can develop the right skills at the right time

Businesses are faced with seemingly endless sources of disruption; from the more familiar (but no less pressing) challenges of global competition, AI, digital transformation and skills availability to sustainability, energy security, supply chain disruption, economic downturn and inflation, to name just a few. Traditional responses are increasingly inadequate. In people terms, bringing the right people, with the right skills into play at the right moment is fundamental to survive, let alone thrive. Delivering training is no longer enough, if it ever was.

This Fosway viewpoint paper describes why it is time to embrace performance readiness as the real goal of talent and people development. Skills and performance are intertwined with intelligence at scale at the heart of this change. Evidence based decision making is needed to set the right goals, design and manage personal interventions. It requires a multifaceted approach and an 'always on' mindset - a significant but vital change.

August 2024





Sponsored by

Why is this important?

Multiple disruptions are changing the business agenda

It is a cliché that change is the only constant in business, but it is true, nevertheless. Business leaders face an ongoing erosion of conventional certainties. For example, a McKinsey study found that half of executives say their organisation is effectively prepared to react to future shocks such as AI, climate change and environmental collapse and political volatility¹.



The growing sources of disruption ...

But if change is not new, the depth and extent of change today is.

VP-INFOPDL-0824 Licensed Material www.fosway.com

¹ The State of Organizations 2023: Ten shifts transforming organizations. https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/the-state-of-organizations-2023#/² PwC 27th Annual CEO Survey: https://www.pwc.co.uk/ceo-survey.html



For employees, the nature of work is morphing faster than ever before, as are the expectations of workers and the range of skills and knowledge needed to remain competitive. Work and the workforce are being continually reshaped. 78% of CEOs identify skills shortages in their business and see this as inhibiting their ability to keep up with change, according to research from PwC².

Between 2015 and 2024 the skills profile of roles changed by 41%, so just to be relevant and keep pace with your current role, you typically need to gain four new skills according to Future of Skills research from LinkedIn³.

The inability to keep up with change carries significant long-term risks. Nearly 40% of CEOs think their company will no longer be economically viable a decade from now, if it continues on its current path. ⁴ In these volatile circumstances, business decision makers need to be flexible in their choices and agile in their allocation of resources. Managers, responsible for executing strategy, consequently, require their teams to perform effectively against rapidly evolving plans. Workers need to translate these plans into individual actions. Time to prepare is reducing and swift performance readiness is a requirement.

Whilst these challenges are not just learning related, they do have deep and far-reaching consequences for talent and L&D. Businesses are now seeking performance readiness in response; an evidence-based and skills-centred approach to these changing development priorities and the flexibility to support it. The traditional 'design and deliver' response of L&D is increasingly failing both the organisation, and its people. It does not deliver the deeply skilled, highly agile and flexible workforce required to perform against shifting objectives.

Traditional learning tactics do not deliver the skills organisations need

Constant performance readiness is not a traditional business problem learning teams often focus

© Copyright Fosway Group Limited. All Rights Reserved

² PwC 27th Annual CEO Survey: https://www.pwc.co.uk/ceo-survey.html

³ LinkedIn Future of Skills

⁴ PwC 26th Annual CEO Survey: https://www.pwc.co.uk/ceo-survey.html



on solving. Deeper change is needed, to every aspect of the learning team, learning systems, content and training programmes if we are to develop the capabilities organisations need to succeed. Skills are now front and centre for L&D teams.

The most significant change the skills agenda brings is the need for employees to practise and apply emerging skills in safe and realistic settings with support and feedback on progress. Safe environments to practise are a must have for modern workforces to rapidly build proficiency and prepare to perform. Proof of skill mastery is not shown in completion of learning activities, but in application in work. As L&D teams develop this maturity, they have to move from a content access and delivery focus to work-embedded tools and resources, and ultimately, to personalised learning that adapts to individual activity and context as well as to active facilitation and collaboration. An intelligence-led environment and agile culture are needed to support the changing context and goals of the individual as well as the teams in which they work.

Change only matters if it is evidenced in personal, team outcomes and business measures of success

The real worth of L&D needs to be seen in the business value, individual value and team value it creates and contributes to. But the familiar L&D value measures of attendance, completion and satisfaction are all weak indicators here. Executive teams increasingly require a richer set of value indicators to measure the talent of the workforce and its current performance levels as well as the efficacy of L&D's strategy and investment.

The data required is complex, varied and constantly changing. Until relatively recently gathering and analysing it would have been impossible. Developments in various forms of artificial intelligence now make it possible to bring together business data, people data and learning data to understand individual performance, set individual goals and monitor progress towards them.

Personal outcomes can be measured from employee engagement data such as a sense of purpose, belonging and autonomy as much as they can by career and personal growth or knowledge and skills development.



Business outcomes are signalled in vital business measures such as brand reputation, revenue and customer success. All of this evidence is important. And learning teams need to be fluent in all of these measures and connected to the data sources that reveal them, if they are to influence their organisation about their own value as a L&D function and the power of learning.



What should you do?

Prepare for constant renewal and recalibration of the approaches needed to build the right skills

In 2023, 94% of people professionals cited skills availability as their biggest business challenge. At the same time 89% identified increasing business agility a high priority⁵. The pressure for L&D teams to provide learning for skills has never been higher and the solutions offered to develop skills must be responsive and adaptable to deliver and keep pace with change.

The right people, with the right skills at the right moment

At the heart of performance readiness is creating an environment where the right people have the right skills at the right moment. Inevitably, those people, skills and moments will evolve. This challenges the traditional model of L&D as custodian of learning programmes alone. Whilst they will remain core to the suite of solutions required, their linear nature and time commitment limits their flexibility and ability to be applied swiftly and accurately to personal circumstances.

So how do you solve that problem?

Some moments of need, as Bob Mosher highlighted⁶, will require a brief and highly targeted intervention for compliance and job readiness, using a full range of modes and formats. Others will need long term, individually adaptive experiences to allow skills proficiency to develop over time. Others will rely on facilitated cohort learning with a mix of live events and shared activities. All demand the ability to practise skills and to gain feedback as they are applied. This range of interventions, tools and design approaches needs to be as flexible and adaptable as the skills needs

© Copyright Fosway Group Limited. All Rights Reserved

⁵ HR Realities 2023 https://www.fosway.com/research/next-generation-hr/hr-realities-research-2023/

⁶ 5 Moments of Need Academy



they support.

Arguably, there is nothing inherently new about these experiences and many learning teams are strong in their design and implementation. The service that designs, implements and improves them, having consulted with business partners in the light of performance intelligence data, is an emerging model for L&D that needs to be embraced. This requires changes in the toolset, evidence base and perhaps, most importantly, the mindset and culture of the teams that run them. Leading these changes requires radical action and a comfort with disturbing the status quo.

Embrace a 'Performance Ready' learning model in your organisation

Performance readiness is a long-term goal and there are few quick fixes. Some of the component parts of a performance ready learning model exist in businesses today. They need to be reconfigured and supplemented with stronger relationships and a foundation of workforce intelligence.

Performance Ready Organisation Model



A model of learning for a Performance Ready Organisation



Copyright Fosway Group. All Rights Reserved.

At the heart of the Performance Ready Model is the enduring value of an agile learning mix, accounting for the varying contexts of the learner and their environment. A range of technologies is needed to foster learning at the point of need, rather than by appointment. Integration into the tools of work is becoming a must-have feature as is the ability to serve front line and deskless workers. Critically, these need to reflect and respond to personal intelligence gathered about individuals – they need to feel like 'myLearning' in more than name alone. Vital to the skills development experience is the ability to apply and practise skills in work and work-like simulations, gathering swift feedback to guide improvement. A broad range of modes and formats is needed to design these experiences across the range of technical, functional and interpersonal skills, alongside the micro content to support on-the-job learning.

Performance readiness requires skills based design methods

Effective skills based design needs to focus on specifics. The specific skills an individual is expected to demonstrate and as much precision as possible about the desired level and what that looks like. This is an evidence-based design process, marrying individual level skills intelligence (who can do what and how well) with what the business needs both now and in the future and how that applies to the work people do. In turn, this requires personalised learning pathways for relevant skills.

Designing these pathways, and signalling progress along them, requires more than a curation of content against proficiency levels. The opportunity to practice skills is crucial, as is the feedback from that practice. Assessment plays a part on the journey and needs to include observation of applied skills as well as indications of knowledge. Simulations are often used to develop confidence and evidence of proficiency in safety. Increasingly, these personal pathways indicate progress towards career goals and personal development milestones. The following sections of this report describe how skills based design can be brought to life.

Focus on stakeholder engagement to maximise

© Copyright Fosway Group Limited. All Rights Reserved

VP-INFOPDL-0824

Licensed Material

www.fosway.com



business alignment

Perhaps the most important changes to traditional models are the strength of relationships with business decision makers and the intelligence needed to focus activity on the most valuable problems. Relationship management is a foundational skill for a model which weaves talent and learning together as a strategic service to the business, replacing a more transactional model responding to expressed demand.

Key to the success of that relationship is the application of intelligence to identify workforce skills needs, current levels and the personal development planning that will shape development. It is this insight which identifies potential and guides learning interventions towards it. Underpinning that capability are advances in AI, enabling the gathering and handling of disparate data sources at scale from beyond the organisation and across a range of business and people systems.

Influencing with the metrics that show skills growth adds to organisational success

Al is not, however, a silver bullet. Accurate, reliable, stable and available data is needed to be successful. Often significant effort is needed to provide these systems with the accurate data they need to be dependable. Learning leaders also need to address the longstanding Achilles heel of data and analytics. Effective data management is a requisite for effective learning services.

The finding and creating of useful content for learning is no longer the hard part of supporting performance readiness. Organising existing content to be relevant for the current context of individual workers is a more pressing need and the skills insights discussed here are a critical filter through which to access the right assets at the right moment.

Similarly, the ability to adapt learning experiences to the personal goals and current skill levels of a worker are rising in importance. Al tools can power this potential across large and dispersed populations, taking the industry beyond its design and delivery constraints. Robust and accurate data is the foundation of the learning experience - weakness in data weakens the learning



experience.

Invest in talent intelligence and connect people development into your organisation's performance processes

L&D has historically been hampered by a lack of individual insight about performance needs and an inability to operate at scale with a sure personal touch. The arrival of a new generation of AI technologies provides a genuine opportunity to address these foundational shortcomings. The convergence of people insights and work provides opportunities to drive higher value outcomes from how people work. It can build new levels of performance and sustain them.

This workforce intelligence is not just a support function; it is a strategic imperative that empowers organisations to leverage their most valuable asset—their people. By harnessing data and insights, organisations can make proactive, strategic decisions that drive business growth, innovation, and long-term sustainability. This is the cornerstone of the strategic relationship with the business.

All elements of developing a performance ready organisation rest on having the right insight, at scale and in individual detail, about the current levels of performance and proficiency, what is required in the future and what individuals are required and motivated to achieve.

Partner with HR and business functions to connect to the data that matters

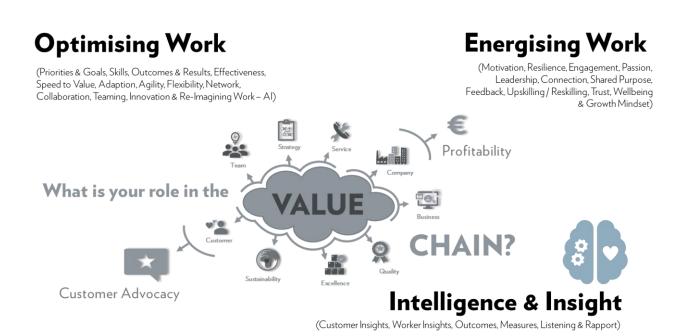
To harness the power and full value of people, the intelligence held about them and the organisation is key. There are crucial indicators of readiness to perform in engagement and motivation data and in leadership and management effectiveness alongside more familiar measures of skills, outcomes and goals. Partnering with other functions in the business will help gather relevant data from beyond learning and people functions. Supplementing traditional learning measures will also raise the quality of insight learning professionals need to realise.



Develop people for their career growth and employability to support strategic workforce planning

In the language of service design, successful solutions rely on high quality experiences "end to end and front to back". No stone should be left unturned to ensure that the development experience is both seamless and relevant at each point in the people lifecycle. Supporting a performance ready workforce requires the same mindset.

The answer to the crucial "What's in it for me?" question depends on the context of the individual. It also changes as the need for job compliance shifts to skills growth and then to job performance improvement, and depending on the individual, also expands to career growth. Simultaneously, the performance level expected of each individual will change as they develop and as the organisation morphs around them. A more mature learning culture will encourage personal curiosity and exploration as well as compliance and performance management.



Each interaction employees have with the tools across the ecosystem needs to reflect that individual context - what they want and need to get done.

Page 11 VP-INFOPDL-0824 Licensed Material www.fosway.com



Create an integrated experience across skills, learning and performance driven by personalisation

In reality, many organisations struggle with systems that are implemented in isolation, undermining the support their workforces expect and their ability to easily guide development. The best vendors will help customers create a singular experience for their people across all touchpoints and simplify the management of the toolset as a whole.

"The build/measure/learn approach of the digital product world has equal validity in learning."

Evidence-based insight allows effective learning teams to be agile in planning and delivery, guiding towards high value business opportunities. The *build/measure/learn* approach of the digital world has equal validity in learning. Focusing early on high impact roles and teams can rapidly generate value, a strategy that is difficult with a waterfall model. It can be applied to content, tools and experiences, and also feeds data from usage back into the products and services that help accelerate the maturity of the service.

A single fixed method or toolset will not allow a swift or far-reaching response. As a result, skills development must be continually adapting. Our research shows that 71% of learning professionals see skills building as becoming a high priority in their organization. But almost 50% disagree that their organisation invests in rewarding skills development.⁷ A mindset shift is needed if we are to make our organisations fit for the challenges of the future.

Constantly monitor skills development against performance and measures of success

⁷ Digital Learning Realities 2023



Performance assessment and monitoring, from a range of data sources, must be a constant activity. A clear view of skill gaps and skill proficiency is vital for navigating learning strategy and keeping pace with what evolving business needs.

At the risk of overstating it, reskilling and upskilling effectively relies on learning through work, and on the ability to identify and place individuals into opportunities to best apply their learning. The measure of skills is work and growth, and tools such as talent and opportunity marketplaces can enable real application and development of skills in the workplace. Coaching and feedback are critical in guiding the further development of high performing teams and individuals. These methods have often been enabled in solutions that are not connected to learning. It is essential to make sure that the solutions that support feedback and coaching can monitor performance and measure personal and team success and are seamlessly integrated into learning.

Learning that provides practice and rehearsal is essential to build performance readiness

Key to building a performance ready workforce is their ability to hit the ground running and to be supported to perform from the start. Whilst learning teams have often focused on knowledge, skills turns learning from being about what you know, to what you can do. And performance readiness means focusing on being able to perform as quickly as possible. With this is mind – learning teams need to shift from providing knowledge focused learning to action focused, skills enabling learning. This means providing more learning that enables practice and rehearsal through simulations and scenarios. Whilst often complex and costly to create in the past, changes in content authoring enabled by AI are making these methods easier. So, with the right approach, workers can be set up to perform from the beginning.

Support for learning in the flow of work is now nonnegotiable for performance enabling L&D teams

But as we know in a fast-moving environment, it is the small and constant changes that we also need to support. Enhancements to organisations products and services are continuous even for

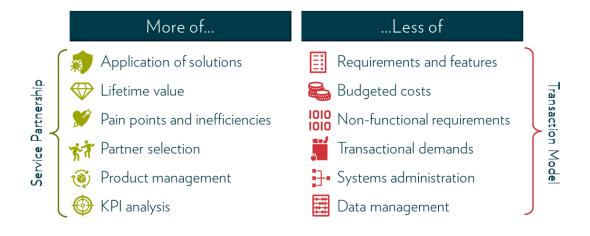
Page 13 VP-INFOPDL-0824 Licensed Material www.fosway.com



existing performers, so we also need to think about how we support workers in their day today. This means that we need to embrace performance support, in the flow of work, as part of an L&D approach. In our Digital Learning Realities research, only one in five of L&D teams think they are very proficient in delivering learning in the flow of work, often requiring support to implement these solutions⁸.

Scale to the challenges by using a service partner mindset

Few, if any, learning functions are able to span the range of required solutions and tools without external help. Equally, the decision about which capabilities should be internal and which should be supplied will alter over time. The right relationship with suppliers helps to keep pace and prepare for where most value can be achieved. Our research indicates⁹ that demand for digital learning platforms will continue to grow across the board as will services designing and delivering programmes and content. It also suggests a clear shift towards intelligence-led tools and the ability to empower employees with their own performance growth. Analytics tools, skills management technologies and social learning solutions are clear areas of focus.



Shifting from a transactional to a service buying pattern

© Copyright Fosway Group Limited. All Rights Reserved

VP-INFOPDL-0824 Licensed Material www.fosway.com

⁸ Digital Learning Realities 2023

⁹ Digital Learning Realities 2023



As learning functions evolve to become people performance services, they will need to approach the market for partnerships in support of those more sophisticated, evolving needs. From a history of managing systems to make content and events available to the management of performance solutions for individuals is a genuine transformation. Vendors must get ahead of these shifting needs to be able to respond and encourage them where they are absent. They should press for an account of what good looks like and why it matters. Customers should look to a consultative approach to the sales process and a desire to uncover performance problems to be solved.

This is not only about matching scale and complexity with infrastructure and resources (overlook that at your peril however), but also about demonstrating an understanding of what high class service can achieve and expressing that with clarity.

In Summary

Facing the uncertainty of the business environment, the need for performance readiness has never been more pressing. An intelligence-led response also creates an imperative to direct and sustain decision making for the near and long term. Reframing the learning function as an 'always on' people development service is critical to realising the value businesses now demand. The methods and tools of high quality learning remain critical but need to be weaved into the fabric of the workforce ecosystem overall, supplemented by the data and agility to sustain relevance for individuals and the organisation.

Key takeaways:

- Data and the intelligence it generates is the most important foundation to successful transformation to performance readiness
- Remember that the true measure of a performance ready workforce is in the work people do rather than the development steps they take
- Skills based design creates personal pathways indicating how to develop, practice and apply skills in work



- The ability to rehearse and practise skills is crucial to their effective development
- Manage strong relationships across the business to ensure you are focused on key capabilities as they emerge and the data sources to guide and monitor your efforts
- Agility is a critical attribute to address emerging and changing priorities in skills development
- Support performance 'just in time' as skills are applied in work
- Technology is not the answer in itself, but progress without it is impossible

Recommended Fosway reading

For further Fosway analysis relating to this topic, please see the following papers or resources.

- HR Realities Research 2023-24
- Digital Learning Realities 2023
- The Reskilling Revolution
- Digital Learning 9-Grid Report 2024
- Transitioning From Talent Management to People Success

Accelerate and De-risk

To talk to us about our research on learning and talent systems, or to discuss what it might specifically mean for your organisation please contact us directly.

We will use our independent expertise to provide you with the guidance you need to accelerate and de-risk your decisions. We have a wealth of experience, tools, research and profiles at our disposal. We don't have any products to sell and we have no vested interest to bias your outcomes. We concentrate on pragmatic, independent advice.



Accuracy of Information and Warranties

The analysis and recommendations made in this document are based on the information currently available to Fosway and from sources believed to be reliable.

Fosway disclaims all warranties as to the accuracy, completeness or adequacy of such information. Fosway will have no liability for errors, omissions or inadequacies in the information contained herein or for interpretations hereof.

Opinions expressed herein are subject to change without notice. All content is copyright Fosway limited unless otherwise identified. All rights reserved.



About Fosway Group

Fosway Group is Europe's #1 HR Analyst focused on Next Gen HR, Talent and Learning. Founded in 1996, we are known for our unique European research, our independence and our integrity.

For over 25 years, we have been analysing the realities of the market, and providing insights on the future of HR, Talent and Learning. Fosway analysts work extensively with our corporate clients to understand the inside story of the challenges they are facing, and their real experiences with next gen strategies, systems and suppliers. Our independent vendor analysis also provides a vital resource when making decisions on innovation and technology.

And just like the Roman road we draw our name from, you'll find that we're unusually direct. We don't have a vested interest in your supplier or consulting choices. So, whether you're looking for independent research, specific advice or a critical friend to cut through the market hype, we can tell you what you need to know to succeed.

Example clients include: Alstom, Aviva, Boots UK, BP, BT, Centrica, Deutsche Bank, Faurecia, HSBC, International SOS, Lloyds Banking Group, Novartis, PwC, Rolls-Royce, Royal Bank of Scotland, Sanofi, Shell, Swiss Re, Telefonica, Thomson Reuters, Toyota Europe, and Vodafone.

Talk to us today at:

Email: info@fosway.com

Telephone: +44 (0) 207 917 1870

Web: www.fosway.com

About Infopro

Infopro Learning is an award-winning workforce transformation company that unlocks the potential of people -employees, clients, and partners. Unlocking the potential of people unleashes higher levels of performance, resulting in outcomes aligned with your company's strategic objectives. Infopro Learning helps you grow, manage change effectively, and ultimately -transform.

People are a primary source of an organization's competitive advantage. Over the last 25 years, Infopro Learning has built services and solutions around training, upskilling, and developing people.

As a global leader in talent development and managed learning services, Infopro Learning offers a full- service of solutions that support the entire lifecycle of learning, including strategy, curriculum design, content development, training delivery, learning administration, and talent sourcing. Their digital platforms and global infrastructure enable accelerated realization of the outcomes associated with full-service solutions.

Infopro Learning offers its "unlock" series of innovative leadership and talent development programs designed as a blended learning journey for individual contributors as well as first time, mid-level, and executive leaders. Infopro Learning's specialized learning solutions are outcomes based and helps organizations improve performance in areas of product adoption, customer education, sales, customer service, IT/ Tech & onboarding.