MARKET NOTE

Skilling the Workforce During COVID-19: A Skillsoft Perspective

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EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: Skilling the Workforce During COVID-19

This IDC Market Note discusses observations from the usage of Skillsoft's online learning platform during the COVID-19 pandemic. COVID-19 has had a dramatic effect on most organizations across the world and has forced them to rapidly change the way that they work including the way that provide learning to their employees. This document discusses insights that Skillsoft has gleaned from learners' usage of the company's extensive online learning platform over three months in early 2020 during the pandemic.

Key Takeaways

- Skillsoft saw a dramatic increase in the number of learning hours in its 1Q21 (February–April 2020) over 1Q20 (February–April 2019), up 52% to 3.3 million hours. Even more dramatic was the increase in user visits, which was up 78% to almost 6.5 million.

- It seems learners have become more dedicated to skilling themselves. The completion rate for courses in the first quarter this year reached 77% versus 28% in the same period last year. People are taking learning seriously in the lockdown.

- Of the top 20 courses in Skillsoft's 1Q21, almost 50% are around agile and DevOps, indicating that learners are looking to more flexible and effective work methods. Also, 30,000 learners globally subscribed to its business continuity training, which means that learners (and possibly their employers) are looking to improve resilience and ability to recover quickly from major incidents.

- Understanding and acceptance by management constantly turns up in IDC research as a top 5 inhibitor to large-scale adoption of any new technology. Organizations that train their line of business managers, technology leaders and IT professionals in the benefit and use of 3rd Platform technologies are six times more likely to move from evaluating those technologies to using those technologies within two years than organizations that only train their IT professionals. With these technologies critical for creating an agile and resilient enterprise, training takes center stage for success.

Source: IDC, 2020

IN THIS MARKET NOTE

This IDC Market Note discusses insights from usage of Skillsoft's online learning platform during the COVID-19 pandemic. The past few months have forced many organizations to rapidly change the way that they work, including the way that they provide learning to their employees. IDC's

European IT Buyer Sentiment Surveys, which we have run biweekly since the end of March, have shown that a majority of organizations are increasing their investments in remote learning to address this.

At the same time, workers that have been furloughed or become unemployed because of COVID-19 have found themselves with time to upskill or reskill to strengthen their career prospects once the economy starts to improve.

IDC caught up with Mike Hendrickson, vice president for products, and Agata Nowakowska, area vice president for EMEA at Skillsoft, a provider of online learning, training, and talent solutions, to discuss their observations on training and learning in early-2020, as the impact of the pandemic has (so far) topped across the world.

About Skillsoft

Skillsoft has a comprehensive portfolio of learning and talent management offerings that includes resources for leadership development, business skills, technology and development, digital transformation, and compliance. The company supports 36 million learners globally and its customer base counts many Fortune 500 companies. The company has three learning systems: Skillsoft learning content, the Percipio intelligent learning experience platform, and the SumTotal suite for talent development, which offers measurable impact across the entire employee life cycle.

Skillsoft's Perspectives and Percipio

On May 13, 2020, Skillsoft ran a free global digital experience – Perspectives 2020 – with speakers from across the world, starting in Australia and moving across four continents until it finished in Boston 24 hours later. The agenda covered a broad range of topics from HR, talent, and learning strategies to the importance of promoting diversity and inclusion and creating the right mindset. Skillsoft says that,000 people attended the event over the 24 hours, a sign of the global appetite for learning and expanding knowledge during the pandemic.

In March, as organizations around the world closed their offices, storefronts, and manufacturing facilities, Skillsoft began offering free access to its Percipio learning platform for 60 days, providing training and upskilling opportunities for anyone interested in Percipio's more than 700 learning paths, from leadership development to risk management to project management, as well as technology courses. The program continues to be extremely successful in EMEA; Skillsoft had thousands of individual learners and dozens of businesses from across different industries participating in this initiative. Skillsoft also created a Business Continuity Learning Center, which provides free access to more than 100 videos, articles from the MIT Sloan Management Review, and blogs to help individuals and managers adapt. Content includes topics such as how to manage and engage remote teams, how to ensure virtual collaboration is productive, and how to accelerate tech and meet necessary compliance standards.

Skillsoft also established a series of free Leadercamp sessions to provide live, online, instructor-led, and interactive learning experiences at a time when in-person events were halted. The first Leadercamp held in May, with the theme "Leading in the New Normal," was designed to help leaders address and plan for expected workforce and business challenges. Furthermore, Skillsoft's Tech Bootcamps aim at helping technology teams deliver high-quality projects faster through live access to expert instruction alongside hands-on coding exercises.

Learning and Training Trends During COVID-19

Through Percipio, Skillsoft gains deep insight into learning trends, such as which courses are in high demand, whether learners complete the courses, and how much learning is "consumed." Every year, the company analyzes learning consumption specifically for its technology courses. The company has taken a deep look at the statistics for February to April 2020, its first financial quarter for FY21, to gain insight into the impact of COVID-19's influence on learning so far.

Skillsoft saw a dramatic increase in the number of learning hours in 1Q21 over 1Q20, up 52% to 3.3 million hours. Even more dramatic is the increase in user visits, which is up 78% to almost 6.5 million. Each visit to a course by a user counts as a user visit; if a user goes to the same course twice, it counts as two visits. Skillsoft's Signals Research report refers to learners as "users."

More frequent visits may suggest learners are dropping in and out of courses between conference and video calls. However, it seems learners are in fact more dedicated to skilling themselves. The completion rate for courses between February and April this year reached 77% versus 28% in the same period last year. People are taking learning seriously in the lockdown.

So what technology courses are learners embarking upon? Figure 2 shows the distribution of learning hours across Skillsoft's major technology course groupings for the company's full FY20 (which ended January 31, 2020) and its first financial quarter.

For this analysis, Skillsoft categorizes its courses into the following segments:

- Programming/software development
- Security
- Cloud
- Data
- DevOps
- Emerging tech/tech and society
- Productivity
- Network and operating systems (Opsys)

All areas experienced significant growth between February and April of this year, compared with the prior year. Significant growth was seen in security and DevOps as IT teams have learned to work safely in a remote setting. The next two areas of strong growth are programming/software development and data (including machine learning or ML, artificial intelligence or AI, and data science or DS). Growth in network/Opsys courses reached nearly 30% and this category is where most certification courses are located. The completion rate for network/Opsys is more than three times higher than the prior year at 72%.

However, the importance of certification preparation varies by region: it is declining in India, staying relatively flat in EMEA and the rest of Asia/Pacific, and growing in the U.S. Skillsoft claims that, based on its conversations with customers, people in Europe are not generally hired because they have a certification – they are hired because they can do the job and have the right capabilities and proficiencies. Certification acts as door-opener but is not ultimately what determines candidate selection.

Another key point from Skillsoft's data is that almost 50% of the top 20 courses in 1Q21 are around agile and DevOps, meaning learners are looking to more flexible and effective work methods. Also, 30,000 learners globally subscribe to the company's business continuity training, indicating that learners (and possibly their employers) are looking to improve resilience and ability to recover quickly from major incidents.

FIGURE 2

Learning Consumption by Technology Course Category, FY20 and 1Q21 (Number of Hours)
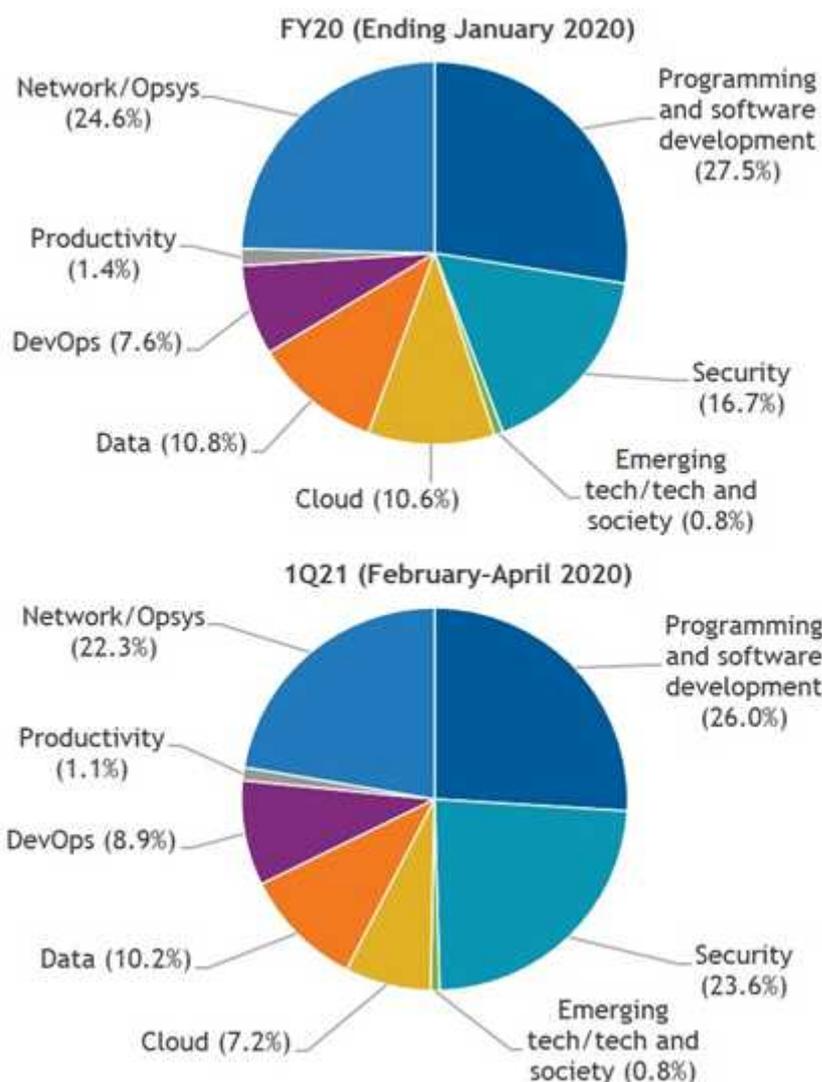
Note: Skillsoft's FY20 ends January 31, 2020. 1Q21 refers to February to April 2020.

Source: Skillsoft, 2020

IDC'S POINT OF VIEW

COVID-19 has dramatically changed our way of working for a great part of organizations across the world in a short time. This also includes the way that employees access skills development programs and as a consequence it is accelerating the shift from classroom delivery to virtual instructor-led training (v-ILT) and self-paced elearning.

As a training provider with a strong online-based proposition, Skillsoft is in a good position to take advantage of this shift – the stats that it has pulled from its platform show that it also doing so. Being able to get deep insight into how its customers are accessing and consuming learning

content and the topics that are being picked up is an important aspect in understanding where the market is moving from the point of view of topics and technologies. Many other vendors that have comprehensive learning platforms can do the same.

The offer of two months of free access to its comprehensive learning catalog is a good move. As we move toward the next normal, customers will remember the behavior of vendors through the crisis – and to be fair, most vendors understood this and have brought free offerings to the market as well.

Skillsoft will provide learning paths with mixed modalities – a course will shift between lecture style, videos, quizzes, etc. – as a way of improving learning and pedagogy. Vendors will continue to seek alternatives for mixing structured i-VLT and self-paced microlearning. We believe alternatives and flexibility should be provided – the same content should be consumed in different ways depending on the situation, whether users are on a bus, at home, or in the office, and whenever they are available.

Understanding and acceptance by management of new technology constantly turns up in IDC research as a top 5 inhibitor for adoption. This applies to adopting, for example, a hybrid cloud architecture, and to leveraging remote learning as a substitute for classroom-based instruction. We have found a strong correlation between training provided to management and adoption rates for new technologies. Technology vendors and training vendors should consider not just addressing the primary target group – the implementors of technology – with training offerings, but also promoting awareness and usefulness of the new technology to decision makers. This should help improve success and adoption rates for new technologies and new ways to learn. Organizations that train their line-of-business managers, technology leaders, and IT professionals on the benefits and usage of 3rd Platform technologies are six times more likely to move from evaluating those technologies to using those technologies within two years compared with organizations that only train IT professionals. With technologies that are critical for creating an agile and resilient enterprise, training takes center stage for success.

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- *Road to Recovery: What Are the Most Important IT Skills for European Organizations to Rebuild?* (IDC #EUR146689420, July 2020)
- *Are Organizations Rethinking How They Train Their Workforce as a Result of COVID-19?* (IDC #US46335320, May 2020)
- *Skills Management in Transformation: Impact of the Crisis* (IDC #EUR146308620, May 2020)
- *COVID-19 Lockdown: Are European Organizations Taking the Opportunity to Reskill the Workforce?* (IDC #EUR146284820, May 2020)

Synopsis

This IDC Market Note discusses observations from Skillsoft on the uptake of its learning offer amid COVID-19 lockdowns across the world.

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