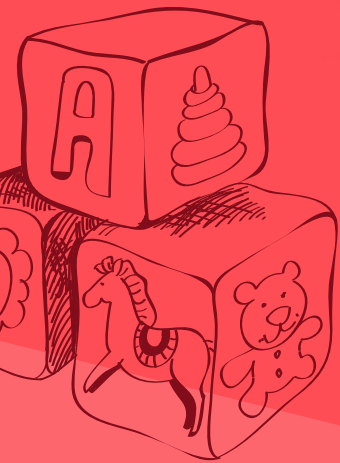


# Death of the LMS



**A STEP-BY-STEP GUIDE TO SKILLS-FIRST L&D**

This is how modern companies learn now



**IN MEMORY OF THE LEARNING MANAGEMENT SYSTEM**

October 1924 - May 2023



**hownow**  
a bit about us

## Get 5x higher engagement than a traditional LMS

HowNow helps every employee build the skills they need to grow with relevant learning in the flow of work.

Everything you need to bring relevant learning, skills and knowledge to every employee in the flow of work, and track all your L&D in one place. Feels like magic, powered by AI.

**Join our community of L&D Disruptors!**

17K

L&D Experts on LinkedIn



Click the icons

10K

Teams across the globe using HowNow



23K

L&D Disrupt podcast listeners



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# The world of work has changed, the LMS hasn't.

Nobody using your learning software or course library?  
Not getting board-level buy-in for L&D?  
People running for the hills whenever you approach them about learning?

## Sound familiar?

It's tough being a modern-day L&D leader, especially in an era of economic uncertainty, disillusioned employees, and a rapidly-changing skills landscape.

Budgets are low, pressure to retain and develop staff is high, and employees are more disconnected than ever.

And there are two big problems behind all this pain:

1. Approaches that put content before skills and people.
2. Outdated tools that prevent L&D teams from taking an engaging, skills-first approach.

LMS, we're talking about you!

Disconnected from the tools where people work, unable to truly personalise or collaborate on learning, and incapable of providing a central place for development - the traditional LMS just ain't cutting it anymore...

**3-6%** is the average course completion rate.

**75%** of employees are dissatisfied with their L&D function.

**88%** of employees reported not applying what they learned at work.

But this report isn't a bunch of hand-wringing and despair. Think of 'The Death of the LMS' guide as a breath of fresh air in a stale, outdated world of L&D.

People teams need a new approach and better technology to drive impact.

This guide gives you both!

It's out with the old tools, in with the new approach, and ultimately, that means impact and engagement through learning.

**Goodbye LMS. It's time for something built around how we learn now...**



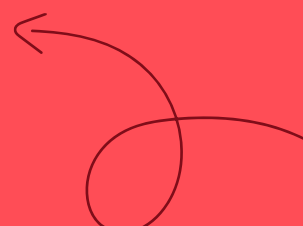
Sources: Harvard University, McKinsey





CHAPTER 1

# The current skills shortage



“ To win today and tomorrow, organisations need to learn at speed, rapidly unlearn old ways and pick up new ones to help seize opportunities during periods of uncertainty.

- Nelson Sivalingam, CEO and Co-Founder, HowNow

# What the statistics say...

For the first time ever, despite an economic downturn, the demand for talent remains high – with the US, Europe, and Canada seeing their lowest unemployment rate in nearly 50 years.

So, what's the issue?

Well, despite AI dominating your social and news feeds, it's not that robots are taking all the jobs....

It's that there aren't enough skilled humans to fill them!

Businesses are currently operating like a revolving door for skilled workers.

Unable to hire the skills they need, lacking confidence in their ability to upskill the staff they've kept, and unable to retain top talent once they find it due to a lack of growth opportunities. It's a vicious cycle.

## This is bad for business.

**78%** of companies are losing talent due to a lack of growth opportunities.

**40%** of people are planning to leave their current employer.

**6** open roles for every person who is qualified to do the job.

It's not just a case of hiring talent to plug the gaps - we can't buy or borrow the skills we need forever, it's not sustainable. So, we have to build them.

The companies who help their people build the skills that matter in the shortest

time win the talent war. Which means they're able to seize opportunities and grow at speed...

So, how do we attract top talent, retain our existing workforce and learn at speed?

It's time for a new approach, don't you think?



**60%** of employers say they do not have the skills in their workforce to be successful.

- Beamery, 2022



Sources: Aptitude Research, Microsoft Worklabs, U.S. Bureau of Labor Statistics



CHAPTER 2

# Three nails in the LMS coffin





# 3 reasons the LMS is dead

## 1. Scattered resources = scattered results

Think about the last time you learned something that had a significant impact on your career.

Where did that come from?

A book, podcast, colleague, YouTube video? We can almost guarantee that it wasn't your LMS.

So why do we spend so much time, money, and effort on LMSes? Especially when it's evident that people are learning with or without L&D's involvement.

### The learning ecosystem

Learning is scattered across an ecosystem of skills, experts, and content from inside and outside your organisation. It's no longer about a single platform, and someone needs to bring this all together like the conductor of an orchestra.

L&D teams need a tool that helps them create an ecosystem and central place for learning. Otherwise, we end up with the classic scenario of people coming to your LMS in a moment of need, searching for information, and finding nothing that helps them solve the challenge, never to return again...

Not only is this bad for performance, it damages the reputation of L&D across the business.

And this happens far more frequently than you think! According to Beezy, more than half of employees (56%) have been

unable to find digital documents while working remotely.

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“When you search and don't find your answer, you say, "ah, I'm not doing that again. That place doesn't have what I need" and you probably tell other people too... And then it becomes this tribal understanding that the LMS is terrible, it doesn't have any of the information we need.

– Jennifer Smith, CEO, Scribe

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## 2. Disconnected from the flow of work = not there in the moments that matter

In the wise words of Filip Lam, People Growth and L&D Expert:

“You shouldn't be forcing people to come to your channel, learning should exist in the channels people already operate in.”

“Where people are reading, chatting, and working, that's where you need to be to reach them. If a company uses Slack, for example, you can use that as the communication tool but also almost like a learning tool... and they don't need to change to another environment.”



## The current problem is that we have two competing issues:

- 49% of employees want to learn at their point of need.
- And "...amid the race to stay connected across tools, workers switch between 10 apps 25 times per day—fragmenting communication and reducing efficiency." - Asana's Anatomy of Work Index 2021.

### We need a centralised place for learning

One where people know they can search for and find learning opportunities when they're most motivated to solve problems (in the flow of work!).

We call these 'moments that matter': situations where connecting someone to the right content shapes their performance. This will, in turn, create a positive feedback loop around learning and drive engagement.

For example, if you're on a customer call and they ask a question you don't know the answer to, being able to access relevant knowledge on that call is a moment that matters because it influences how you respond.

Because the LMS takes you out of the workflow to learn, it prevents this from happening.

### 3. L&D teams can't measure skills = struggle to prove business impact

If you can't measure skills, how do you know where the skills gaps are (and if you've closed them)?

You don't! And this is one of the biggest issues facing L&D.

If you've got no way of measuring skills, you're not going to prioritise that in your L&D strategy or learning experiences.

And in a classic case of the tail wagging the dog, this often causes companies to prioritise the consumption of content over the development of skills.

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– Filip Lam  
People Growth & L&D Expert

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CHAPTER 3

# Mind The Engagement Gap



# The biggest barrier to growth

## Why are companies so frequently failing to build the skills needed to seize opportunities?

Ask most L&D teams why people aren't learning, and they'll probably tell you it's a time issue. Sure, that's part of it, but people make time for what they think is important. This means:

### Employees aren't engaged with learning

And without engagement, L&D is like a car with no wheels - it's going nowhere. This is what we call The Engagement Gap.

So, what's the first step to fixing this issue? Understanding why your people aren't engaging with your learning.

“ It's not about completing learning, but the speed at which you learn and apply what you learn. To do that, we need to change the way we learn in our organisations.

- Nelson Sivalingam  
CEO & Co-Founder, HowNow

## The Engagement Gap: What's it all about?

When people don't engage with learning, it's a huge barrier to improving performance and building a learning culture people love. To help people grow and drive L&D impact, closing the Engagement Gap is crucial.

## Do you have an Engagement Gap?

Everything you'd want or expect to happen with your learning experiences breaks down without engagement.

## Telltale signs that you're dealing with an Engagement Gap:

- Licences for your software and course libraries are currently unused.
- Usage metrics for tools are low.
- L&D's reputation in the business isn't exactly a glowing one.
- There's a lack of board-level buy-in for your learning efforts.

## The most common reasons why people aren't engaging:

- It's too difficult to find the learning.
- Content creation and sourcing are too slow to meet their needs.
- They're being pushed content with no immediate relevance.
- The user experience is poor and disconnected from everyday work.



# Engagement Gap driver one: Outdated tech that's not fit for purpose

There's no point beating around the bush.

Most companies encounter Engagement Gaps because the tech they're currently using doesn't align with how modern employees want to learn.

According to LinkedIn Learning:

**49%** of people want to learn at the point of need.

**58%** of employees prefer to learn at their own pace.

**68%** of employees prefer to learn on the job at work.

And that translates to three simple things:

They want to learn in the flow of work, have access to resources on-demand, and translate that to real-life, on-the-job situations.

The trouble is, the traditional LMS wasn't built for those things, offering learning that's detached from people's daily workflow and pulling them out of the tools where they could apply learning.

## L&D Leaders know the LMS isn't cutting it.

Association for Talent Development (ATD) research shows that while 83% of L&D pros were using an LMS, 33% said it had limited capabilities, and 25% stated their intention to move away from their current provider.

Meanwhile, employees are outright telling us that they're frustrated with legacy tech that no longer aids their productivity, output, and development.

## The cost of inadequate work tech

**91%**  
of employees are frustrated by work tech.

**57%**  
of employees feel they are restrained by legacy tech.

**71%**  
of employees will switch jobs if they don't have the correct tools.

Source: Freshworks

## Want to see what good looks like?

Take a virtual tour of HowNow

**TAKE A TOUR**

Sources: LinkedIn Learning, Association for Talent Development, Freshworks



# Engagement Gap driver two: Approaches that prioritise content over skills

"This content's great, I can't believe nobody is engaging with it!"

We can. Because the content-first approach isn't working. It's one-size-fits-all and reactive, delivering content at times when it's not immediately relevant.

And that makes learning feel like an unwanted interruption! Even worse, an interruption that does little to build, track and measure skills, giving little influence over performance.

The numbers speak for themselves:

**3-6%** average course completion rate for learning content.

**75%** of employees are dissatisfied with the company's L&D function.

**88%** of employees reported not applying what they learned at work.

So, what if there was a better way?

**It's time to take a skills-first approach - the common language that business speaks.**

According to Laura Overton, Founder, Towards Maturity, "For L&D to add value to the skills agenda, we need to look at more than reporting. Skill building – ensuring that individuals are genuinely equipped and ready – involves more than sharing new knowledge, it involves transfer of learning in the workplace, practice, building confidence and capability."

She continues, "If L&D wants to be known for our role in this, we need to define how and where we can add value back into that process. We then need to define with our stakeholders what success will look like and determine the leading and lagging indicators we need to track."

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“ Our number one responsibility from an L&D perspective is to prepare our workforce for the future of work, today.

To do this, our L&D team will need to continuously keep their skills updated as well, with the mindshare around how to best leverage innovation and creativity to build solutions that meet our workforce's needs.

– Brandon Carson, Walmart  
VP of Learning and Leadership

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CHAPTER 4

# The business case for change



“It’s clear that today’s workforce is looking for quality, engagement, and most of all relevance in their learning tools, and HowNow+ is demonstrating all three as an innovative leader in L&D.

- Bigger Brains

# Winning hearts and minds

It's tough out there right now, and we know you've had to make some tough decisions when it comes to your team.

Maybe you've had to let some people go or put a hold on new hiring. We know it's not easy, and the people who are still with you have a lot on their plates. There's a lot of pressure to do more with less, especially when things are so uncertain, and we get it.



**72%** of people would rather keep things the same than experience any kind of change, even if it would result in a positive outcome.

- University of Hertfordshire

But your team is the backbone of your business, the people who keep the wheels turning, no matter what. And if they don't feel you're supporting their growth or performance, they'll look elsewhere.

Replacing them isn't cheap or easy, so what can you do to hang onto your best talent?

And how can you win the hearts and minds of the budget holders at the same time?

These three steps will help you build a compelling story that wins people over:

- Framing the problem and risk
- Positioning your solution in terms of avoiding threat or seizing opportunity
- Anticipating and preparing for objections

## Step 1: Frame the problem & risk

**Establish a genuine, super relevant, and impossible-to-ignore change.**

E.G. Employee turnover has increased over the last 6 months.

**Show what's causing the change.**

E.G. Lack of career growth opportunities and challenging work.

**Back it up with data.**

E.G. Feedback from engagement surveys, eNPS, and exit interviews.

**Demonstrate its potential threat/opportunity.**

E.G. You don't have the talent/skills to assign to the company priorities that matter the most.

## The high cost of inaction:

On average, it costs anywhere from half to two times an employee's annual salary to find a new person. Let's do the maths: if you've got a 250-person company, and the average salary is around £33,000, and you've got a 15% turnover rate (which is about average for the UK in 2022), that's a loss of about £1.8 million per year. Ouch.





## Step 2: Positioning your solution

Now it's time to show how you'll avoid risk and maximise opportunity:

### State the obstacle that's currently stopping you.

E.G. We don't have the tools to support skill-building for time-poor employees.

### Explain how you'll overcome the obstacle.

E.G. We will implement a platform proven to build and measure skills.

### Back up your claim with evidence.

E.G. This might be showing them the platform, sharing findings from the trial, user feedback, or case studies and platform comparisons.

### Show the risk of inaction is greater than the risk of action.

E.G. If you were to lose 5% of your team:  
Replacement Cost + Missed Revenue + Opportunity Lost > Cost of Your Learning Platform.

## Step 3: Anticipating and overcoming objections

### Fear Of Messing Up (FOMU)

"Are we ready for this?"

### Priority issue + inertia

"What we have now is not great, but it kinda works"

### Fear of time to value

"Do we have the bandwidth to implement this properly?"

### Fear of no engagement

"What if no one uses it?"

### Fear of no ROI

"How do we know it's actually working?"

## Time to take action

While the current economic instability feels scary, it will be over one day.

Don't fall into the trap of saving a quick buck by cutting employee development or laying them off, then expecting to hire talent back once you "need" it again.

These businesses will find themselves playing catch-up once the economy inevitably turns.

The companies that plan ahead, keep their best talent, and continue to grow their workforce's skills will come out stronger than those who didn't.

**Goodbye LMS. It's time for businesses to start delivering skills-first learning →**





CHAPTER 5

# Delivering skills- first learning

Make learning a part  
of everyday work



# Taking a skills-first approach

	<b>Understand</b> Skills needs Not content needs.	<b>Create</b> Learning ecosystem not course repository.	<b>Deliver</b> Personalised learning not one-size-fits-all.	<b>Measure</b> All your L&D not course completion.
<b>Content-first L&amp;D</b>	Reactive. Identify content needs.	eLearning Courses and Classroom Training.	Push content based on business rules and timing. Access in LMS or classroom.	Track time spent learning and completion rate of eLearning courses.
<b>Skills-first L&amp;D</b>	Pro-active. Identify individual skills gaps and knowledge demands.	Co-create learning experiences with internal experts. Curate the best knowledge from within the company and across the world.	Assign, recommend and search based on needs. Timely access in your workflow.	Track engagement, progress and achievements from all L&D Measure skill development.

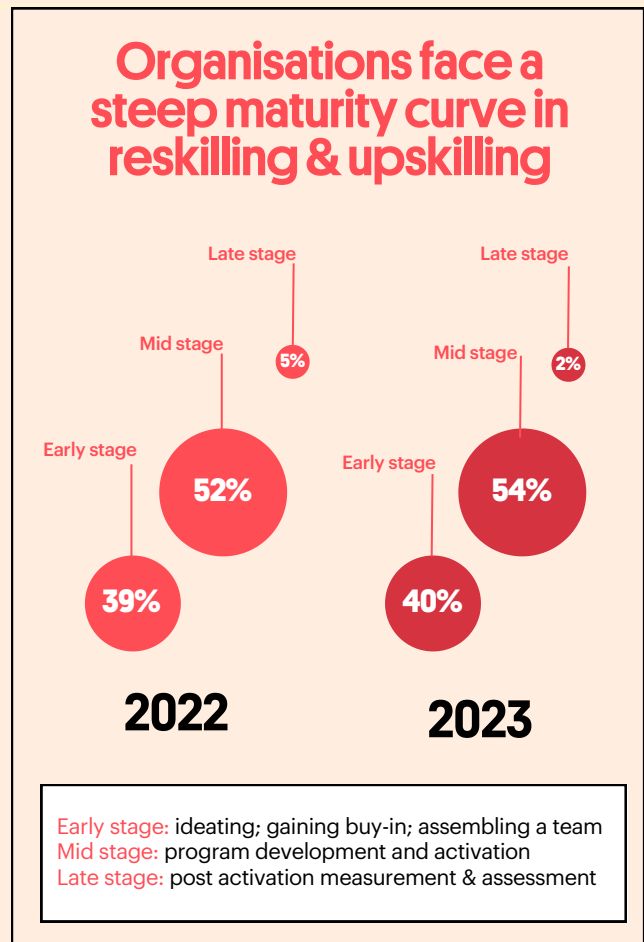
The good news is that winning L&D teams are starting to get buy-in for skills-first learning initiatives. The bad news is that they don't have access to the tools to effectively assess and measure the impact of them.

And this is often because they're not putting skills first! If they were, that measurement and assessment would be baked into every learning experience. To drive change, we need a mindset shift.



**89%** agree that proactively building employee skills will help navigate the evolving future of work.

- LinkedIn, 2023



# This is how people learn now

You think we'd spend all that time telling you an LMS no longer works and not offer an alternative!?

We built the HowNow learning experience platform to solve both the employee and L&D team's problems - and help companies go from interruptive learning to uninterrupted growth.

## Bringing skills-first learning to life

### 1. Identify your engagement and knowledge needs

HowNow goes way beyond completion data and compliance percentages. We'll give you insights into topics that engage people and what teams are searching for, helping you build a data-led approach to filling knowledge gaps.

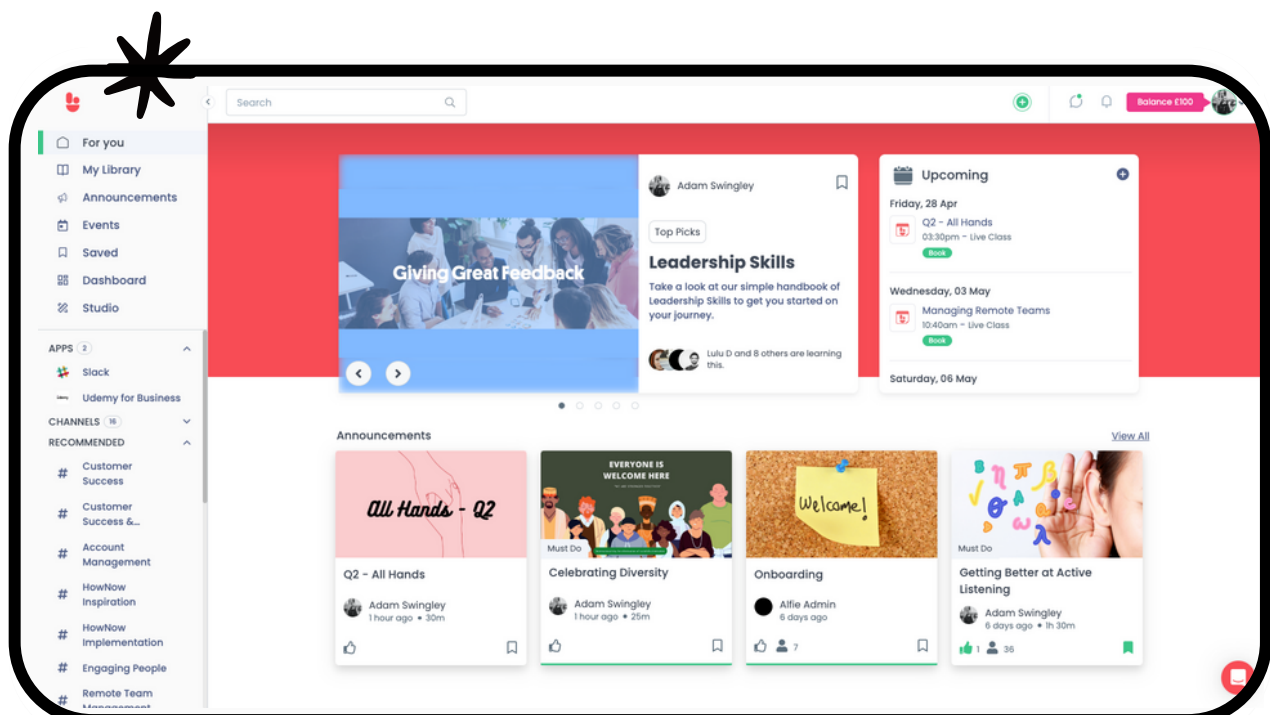
Plus, our popular skills show you what's trending and build learning focused on those talents.

### 2. Create and curate content that closes skills gaps

To take a skills-first approach you must measure skills and understand where gaps exist.

HowNow goes even further, allowing you to map skills to content: from courses to live classes and snappy videos to podcast-style audio. Giving learners better recommendations and more proactive suggestions based on their skill needs.

Our Content Curation Service works with you to carefully curate the HowNow+ learning resources for your most in-demand Skills and topics - a guaranteed recipe for sweet L&D success.



### 3. Keep track of skill development and progress

HowNow uses AI to suggest skills based on a new starter's role, pulling data from live job listings to build a comprehensive skills profile for that position.

Beyond day one, track skill development over time on an individual, team or, company level using our skill reporting features. Coupled with an endorsement workflow and peer reviews to give social proof to skill-building.

“You'll get people who don't want to say they're struggling with an area, but with HowNow they will search for knowledge, find the questions & answers themselves - and then progress!”

-Maria Temple, Training Manager,  
Charlton Morris

### Let's make learning a part of everyday work!

HowNow helps every employee build the skills they need to grow with relevant learning in the flow of work.

From centralising all your learning in one place and integrating that with the apps you use every day, to helping you measure skills and build profiles for every employee, HowNow empowers you to deliver a skills-first approach to L&D.

## People-first teams choose to work with HowNow



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marshmallow

Investec



Contis

SAILGP™

ALFRED H KNIGHT

VANMOOF

CM.



depop

## Speak to one of our learning experts today!

Ready to launch a skills-first learning culture? Say goodbye LMS, hello HowNow.

[REQUEST A DEMO](#)

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