



# A Step-By-Step Guide to Proving ROI of L&D

The Problem with Getting C-Level Buy-in and Continued Investment in Learning and Development (L&D)





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# A Step-By-Step Guide to Proving ROI of L&D



L&D is the bread and butter of any successful business. The function is a key driving force to build knowledge capital in an organisation and is increasingly moving from a training provider to a strategic role. In turn, companies maintain a long-term sustainable competitive advantage.

Considering career advancement, development, or opportunities is the [second highest reason](#) people quit their jobs, L&D leaders have the expertise and knowledge to improve people's capabilities. Consequently, the function helps businesses build a [culture of continuous learning](#) throughout the organisation—retaining top talent.

Sounds easy, right? We know it isn't.

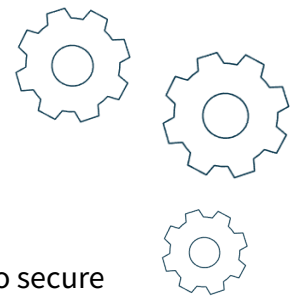
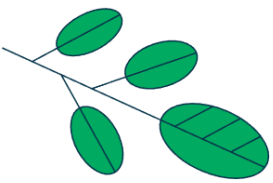
The future of work presents L&D leaders with multiple challenges, from adapting to technological advancements, for example, AI and remote work, to promoting continuous learning, personalisation, and inclusivity.

And providing a L&D offer that meets the demands of the future of work, engages learners, and demonstrates the impact are problems L&D leaders face today.

A lack of comprehensive L&D metrics to measure the impact of learning, along with ever-changing budgets, means L&D leaders struggle to prove the ROI.

**As a result, L&D teams are faced with doing more with less.**

But, there are alternative ways that L&D leaders can use to secure long-term investment. It's why proving the benefits of L&D needs a tactical approach.



This e-book is for enterprise L&D leaders, regardless of industry, with aspirations to secure continued, long-term investment in people education and training. You will learn the importance of solid L&D analytics, four critical ROI metrics to measure, and how to use each to make a solid business case for investment.

Use this information to get buy-in from C-level executives. Each section will have a key takeaway—helping you to remember the main points and reflect on your practice.

Plus, this e-book shares some real quotes directly from Blossom customers. We hope you'll find it helpful.

Let's go!



## Chapter 1

# Drive Strategy and Demonstrate Business Value

## The Importance of L&D ROI Analytics

Some [41% of L&D professionals](#) expect to have more spending power in 2023. What's more, the total global investment in L&D is expected to reach [almost \\$315 billion](#) by 2025.

But here's the interesting part. Mind Tools for Business research found that [only 24% of executive business leaders](#) can explain the value of learning in their business.

There's a disconnect between what C-levels understand to make strategic decisions, like allocating departmental budgets, and how that understanding can translate into real investment.

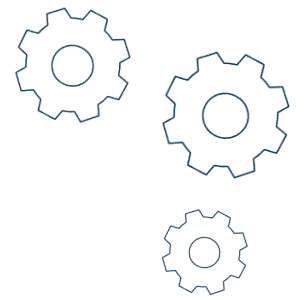
So, how can L&D leaders secure continued investment and understand how learning and development impact the organisation, individual employees, and stakeholders?

By using robust L&D analytics. These critical metrics help measure the ROI of training initiatives by tracking key performance indicators (KPIs) such as knowledge retention, employee satisfaction, and turnover. Based on the data, L&D leaders can determine whether their efforts achieve the desired results and adjust their L&D approach.

The first step in demonstrating business value is gathering data and analytics that prove ROI beyond the usual KPIs.

Let's look at the actions you can take.





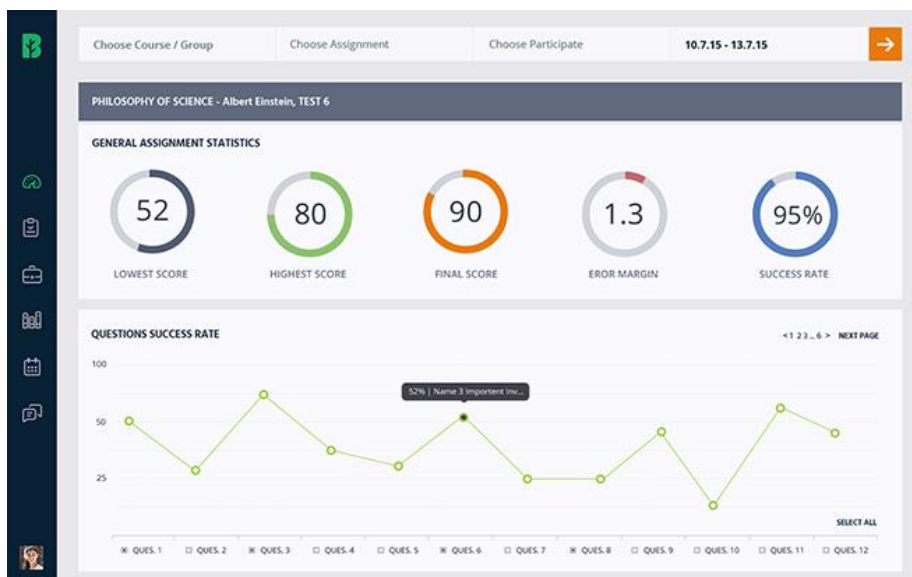
## Action 1. Make data-driven decisions

First off, L&D isn't a stand-alone function of your organisation. It's an integral part of broader business operations.

L&D metrics help assess how well the learning initiatives align with your organisation's strategic objectives. By tracking (KPIs) related to business outcomes, L&D and C-level leaders can ensure that efforts contribute to the company's overall success.

Blossom's panoramic view of [insights and analytics](#) provides valuable data and insights into the effectiveness of training programmes and learning initiatives. By analysing this data, leaders can make informed decisions about their learning strategies, course content, and delivery methods, ensuring that resources are allocated effectively to achieve desired learning outcomes.

Benchmark achievements to calculate ROI and make educated decisions.



## Action 2. Personalise learning

Rigid and mass-produced learning activities are [barriers to learning](#). It has several negative consequences, leading to disengagement, reduced relevance, and inefficient skill development. It can also hinder employee growth and limit the organisation's ability to leverage the full potential of its workforce.

When learning experiences are tailored to each individual, it creates a more engaging, relevant, and effective learning environment. It's why three-quarters [of L&D executives](#) say they will develop more custom learning content in the upcoming years.

Thanks to recent technological advancements, such as machine learning, creating tailored learning solutions is now more possible than ever. Blossom's platform uses big data to consider individual learner needs, for example, working patterns and learning styles, to improve participation and enjoyment.

Robust analytics identify individual learning preferences, allowing you to tailor learning experiences to each employee's needs. And we know that customisable learning enhances engagement and motivation—resulting in more effective skill development and knowledge retention, allowing you to prove the ROI of successful L&D activities.



## Action 3. Build a culture of continuous improvement

While many companies prioritise the obvious L&D metrics, like course completion rates and employee satisfaction, some metrics are often overlooked or not measured as frequently. These “added-value” metrics provide deeper insights into the effectiveness of L&D initiatives and help you demonstrate the impact of learning on broader objectives.

Let’s take informal learning, for example. Peer-to-peer or self-directed learning plays a significant role in people's development. Measuring and encouraging informal learning activities can enhance the overall learning experience.

The best part? Blossom platform has various features that encourage informal learning opportunities and capture the evidence to demonstrate the impact. Features such as feedback channels, playlists, and interactive activities encourage team members to share real-life examples and context, making the learning more relevant and applicable to the specific challenges employees face in their roles.

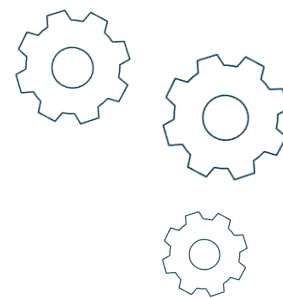
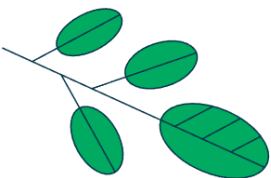
L&D analytics foster a culture of continuous improvement and allow you to refine and optimise your training content and delivery methods over time—ensuring that the learning experience evolves to meet your organisational needs.

## Action 4. Identify people skill gaps

As job markets and requirements evolve, organisations must develop new employee skills to remain competitive. Finding out where employees lack essential competencies allows L&D teams to design targeted training programmes to address these gaps, ensuring that your business uses resources most effectively and remains competitive in the ever-evolving job market.

**By regularly analysing data, you can identify trends, strengths, and opportunities in your learning programmes.**

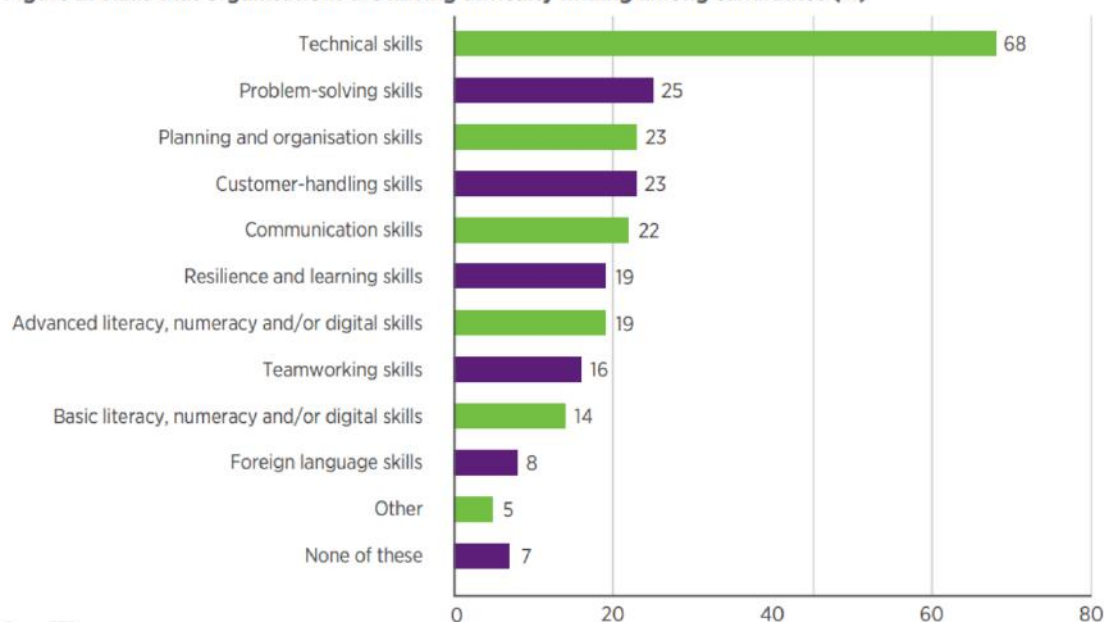




## Let's put that in perspective.

As you can see below, finding employees with the right technical skills is problematic for many organisations. Recognising skill gaps is crucial for succession planning. It allows employers to identify potential team members and ensure they receive the necessary technical training and development to take on more significant responsibilities in the future.

**Figure 2: Skills that organisations are having difficulty finding among candidates (%)**



[Source](#)

Once employee, department, or organisational skills gaps are identified, L&D teams can design targeted training programmes to address these specific areas of improvement. This focused approach ensures that employees receive the most relevant and effective training, therefore, making the best use of resources.

## Action 5. Meet compliance and regulatory requirements

Meeting compliance standards can be challenging, there is no margin for error, and the consequences can be dire for both the business and the leadership in charge.

L&D analytics help ensure compliance with industry standards and regulations are met. By tracking employees' training progress and certification status, organisations can demonstrate that they meet necessary training requirements, reducing the risk of hefty non-compliance penalties.

Give C-level executives, stakeholders, and business insurers the information (and confidence) to ensure compliance and regulatory requirements are met.

Plus, as meeting regulations builds trust, it also shows your commitment to ethical and responsible practices, enhancing your company's reputation– fostering confidence among customers, investors, and partners. And that is undoubtedly an ROI worth proving!

### To summarise, here's the next step:

Gather data and analytics that prove ROI beyond the usual KPIs and present L&D results to the C-suite in a meaningful way.

## Chapter 2

# Four Critical ROI metrics for your L&D Strategy

**Build a more comprehensive and convincing case for the value of L&D investments on overall organisational success**



We now understand how LMS reporting is crucial to maximising your ROI. It gives you valuable insights into the effectiveness of training programmes.

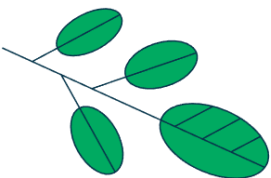
By analysing learner engagement, informal learning, course completion rates, and assessment scores, you can identify areas for improvement and refine your training content. These insights can lead to a more efficient and successful training programme, contributing to a higher ROI.

Start small, win big. The next action is to break down key data by considering the following metrics.. It will allow you to quantify the positive outcomes in financial terms and explain how L&D adds value to your organisation.

### Action 1. Understand Market Share

Think outside the box. Demonstrate how L&D activities improve market share by combining customer satisfaction ratings with training programmes that enhance employee communication or conflict resolution skills.

Track the effectiveness of learning events with onboarding new employees or demonstrate how workers react and respond to customers when handling tricky conversations that convert into paying customers.



With Blossom, the ease of onboarding and training gained from remote learning enabled us to boost sales by increasing the number of distributors by 900%

**Jazz Vershinin**

Director of Learning & Development at [Bezeq International](#)

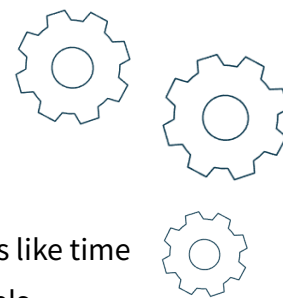
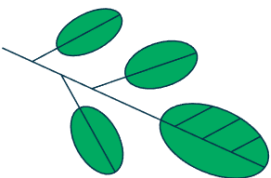
Consider how sales and marketing-focused L&D initiatives have equipped employees with the skills to engage prospects, close deals, and retain customers. A well-trained sales and marketing team can effectively communicate the value of products or services, leading to increased customer acquisition and retention, directly influencing market share.

Validate the ROI of L&D programmes on wider company KPIs.

## Action 2. Gain Insight into Employee Engagement Levels

Did you know that [23% of employees](#) are engaged at work? Although this is the highest figure since 2009, it's still not quite 1 in 4 workers. Meaning there's ample room for improvement.





Considering [93% of companies](#) are worried about employee retention, L&D metrics like time spent learning give C-suite executives real insights into employee engagement levels. Employees who voluntarily invest more time in learning will likely be more engaged in the process—leading to increased job satisfaction and improved retention rates. And the best part? Highly engaged employees drive [18% more revenue](#).

Nonetheless, employers continue to struggle with recruitment and retention. With [three-quarters of businesses](#) reporting that they have hard-to-fill vacancies, upskilling existing staff offers an opportunity for business leaders to provide solutions that fill the gap—and reduce recruitment costs.

Since [44% of workers](#) say they would change jobs for better career development opportunities. Connect L&D to specific outcomes, for example, tracking how the skills and knowledge acquired during the training directly contributed to particular projects, innovations, or internal process improvements.

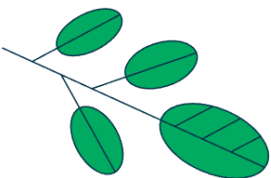
Another helpful metric to demonstrate is time to competency. Measure the time it takes for an employee to achieve the required level of knowledge, skills, and abilities to perform their job well and independently. Shortening the time to competency can save costs associated with L&D and reduce the time it takes to fill critical roles within the organisation. Win, win!

### Action 3. Gather Evidence to Support Products and Services

When employees do not have the skills required to perform their jobs effectively, it can significantly negatively impact individual employees and the products and services you offer.

Some [33% of all frontline workers](#), such as those in health care, retail, and hospitality, say they don't have the right digital software to do their job effectively. Even worse, [almost half \(46%\)](#) feel pressure to adapt to new technology over fear of losing their jobs.

With the necessary skills, employees produce high-quality work, reducing errors, rework, and increased customer dissatisfaction.



Gather solid evidence showing reduced market time and demonstrate how long employees can use new technology confidently. Confirm the mutual benefits to C-level leadership by measuring the time to roll out new IT applications, for example, can prove increased employee motivation and innovation—leading to a reduction in the time to deliver new products and services.

Build a convincing case for the value of L&D investments on overall organisational success by showcasing the direct impact on product development and your service.

## Action 4. Demonstrate Efficiency in Training

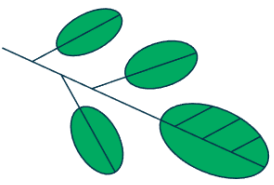
Knowing the cost per learner creates transparency in the L&D budget. It helps L&D leaders and C-suite executives understand the resources invested in employee development and the associated benefits.

Regularly evaluating the cost per learner helps you identify areas where efficiencies can be improved and is vital for effective budgeting. L&D analytics, such as time spent learning, course delivery time, and L&D administrative costs, can help you make improvements and save costs.



**Blossom has enabled our learning management team to achieve time and labour cost savings and reduce the time our employees spend on learning.**

**Orit Barkama**  
L&D Manager at [SodaStream](#)



Prove you are maximising resources by having complete oversight of L&D spending. Understand the total cost of training events, whether a 6 module e-learning course or a one-off, on-site training course. Assess the efficiency and effectiveness of training programmes—allowing everyone to make informed decisions about L&D investments based on fact, not a hunch.

### To summarise, here are the next steps:

1. Use the four metrics listed above to prove L&D's impact
2. Quantify the positive outcomes in financial terms and explain how L&D adds value to your organisation



## Chapter 3

# Make a business case for your L&D investment

According to [Aptitude Research](#), 85% of businesses continue to invest in or increase their budget in strategic workforce planning.

Good news, right?

It is, but only if you craft a compelling business case and secure L&D investment.

So, the final action is to build a solid business case that is data-driven, persuasive, and aligned with organisational goals. Focus on the cost of L&D initiatives by emphasising the long-term benefits and value these investments will bring to the organisation's success and competitiveness.

C-level leaders struggle to gain the in-depth knowledge they need about the operational goals of L&D before making decisions. In fact, just [one-quarter of leaders](#) felt their L&D function regularly communicates with senior leadership to agree on business priorities, identify progress and analyse performance.

Then, there's the wait for a return on this investment. And that waiting period can range from one month to over one year!





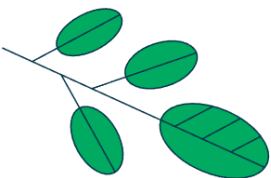
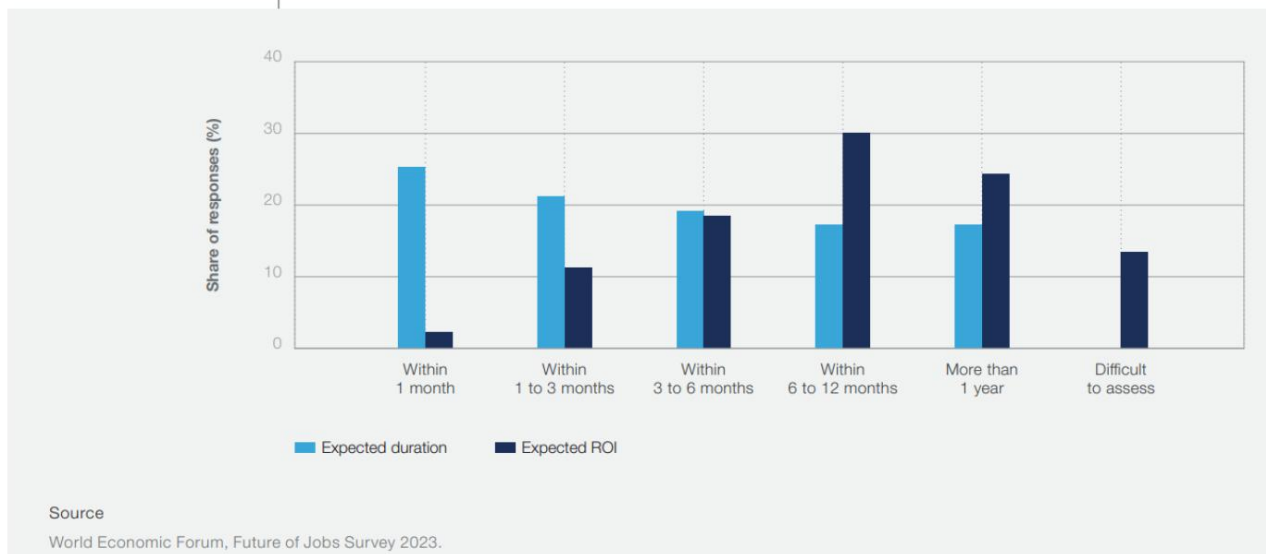


FIGURE 5.11

### Duration of training and expected return on investment

Probability distributions for the expected duration of training programmes from 2023 to 2027, and how long organizations surveyed expect to subsequently wait for a return on this investment



[Source](#)

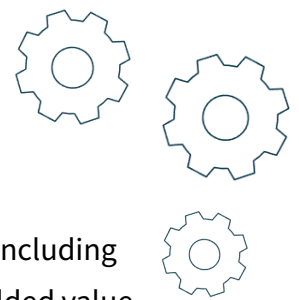
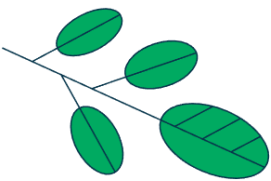
Communicate the impact of L&D by creating a compelling business case for continued investment. Develop a well-structured and data-driven approach demonstrating the value and ROI of investing in employee development.

How?

**By providing critical information in your business case that packs the most punch.**

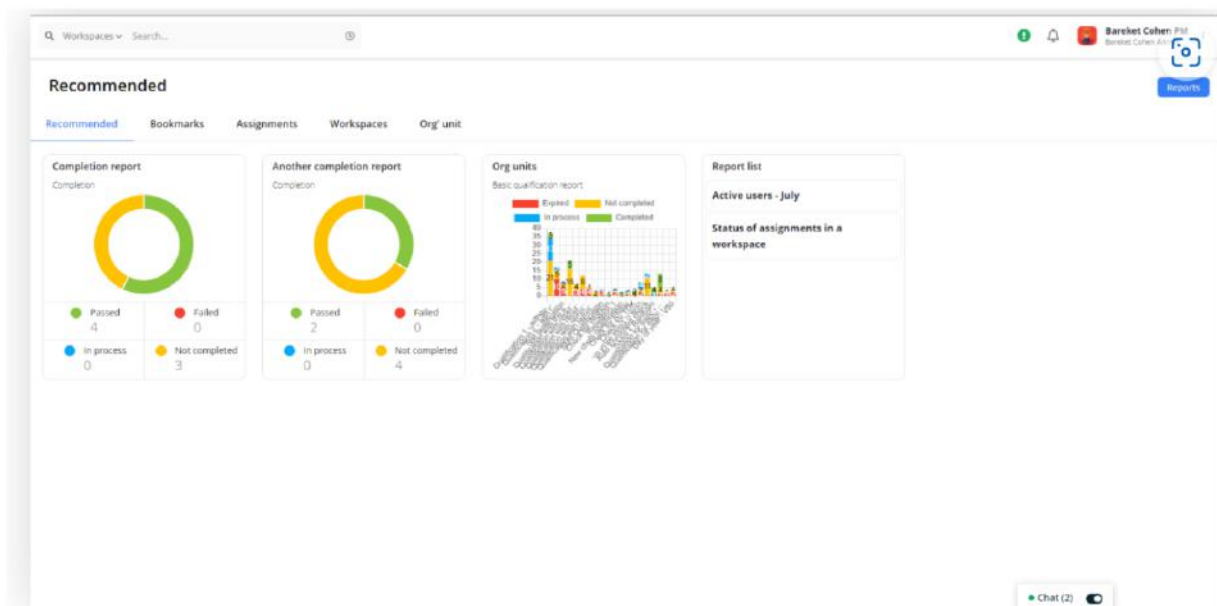
## Action 1: Demonstrate the learner journey

Start by making a solid business case for real L&D investment by getting smarter with L&D analytics. By that, we mean not only sharing the usual operational L&D data. Operational metrics, like training evaluation scores, are helpful for you to manage daily business activities, but they mean very little to C-level executives.



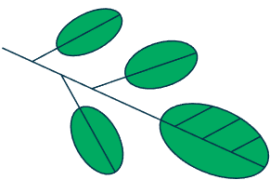
Demonstrate the learning journey and the difference L&D activities have made by including extracts from learner evaluations and individual employee case studies to show added value.

Blossom has a range of functions that allow you to capture data directly from learning activities. From free-form text boxes that allow team members to share their views with colleagues to sending recommendations, employees can motivate and inspire other team members in L&D programmes.



[Source](#)

**Remember: It's this added value that the most successful organisations capture to secure continued investment. These added-value metrics provide deeper insights into the effectiveness of L&D initiatives and help you demonstrate the impact of learning on broader company objectives.**



Think holistically! Move beyond the obvious L&D outputs. Don't rely purely on quantitative data. Combining various qualitative and quantitative data forms helps provide a more comprehensive view of ROI. Gather the data from the four key metrics we shared in the previous chapter and craft a business case that proves the value of L&D.

### To summarise, here are the next steps:

1. Build a solid business case using a range of data and metrics to demonstrate the learner journey
2. Focus on the cost of L&D initiatives by emphasising the long-term benefits on individual employee learning and the value these investments will bring to your organisation's success and competitiveness



## Chapter 4

# Let's communicate differently with C-level executives!

We understand the cost savings and innovative capabilities L&D can deliver are enormous. And L&D leaders can influence C-level leaders with the right information and hard evidence to back it up.]

And that all starts by changing how you communicate L&D results with business leaders.



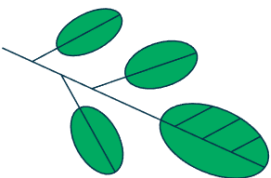
### Action 1. Take a broader view of L&D

Make the shift from viewing L&D ROI simply as just learning outputs. Recognise the correlation between L&D and other business outputs and prove the powerful impact that L&D can have on organisational success.

Include a range of different options in your business case too. C-level executives can make informed choices by offering alternative funding scenarios or approaches to suit your organisation's budget and resources.

Demonstrate that the L&D initiatives have support and endorsement from various levels of the organisation. Include key stakeholders, such as HR, department managers, and senior leadership, in the planning and development of the business case.

Remember, a well-prepared and compelling business case can make a strong impression and increase the likelihood of securing the right level of investment from business leaders.



## To summarise, here's the next step:

Allocate time in your schedule to speak with a range of colleagues and stakeholders within your organisation. Use their own words and insights to craft a well-researched business case that demonstrates ROI

## Time to reflect: Our key takeaways:

1. Gather data and analytics that prove ROI beyond the usual KPIs and present L&D results to the C-suite in a meaningful way.
2. Use the four metrics we've shared to prove L&D's impact. Quantify the positive outcomes in financial terms, if possible, and explain how L&D adds value to your organisation.
3. A solid business case should be data-driven, persuasive, and aligned with broader organisational goals. It should focus on the cost of L&D initiatives and emphasise the long-term benefits and value these investments will bring to the organisation's success and competitiveness.

Ready to learn more? Start proving the ROI of your L&D initiatives with Blossom.

[Schedule a demo today.](#)

More info at: <https://uk.blossom-kc.com>

