



Learning Experience Platforms (LXPs)

Going Beyond the Learning Mandate

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Contents

Introduction	03
Overview of LXPs	04
Factors driving the need for LXPs	05
LXP features and use cases	08
Market overview and vendor landscape	12
The road ahead for LXPs	14

Introduction

Learning and Development (L&D) has never been more crucial for organizations than it is today. Major shifts in workforce demographics and rapid advances in technology are driving the demand for L&D initiatives in organizations. Skills are rapidly becoming obsolete as roles continue to evolve. Organizations cannot solely rely on external talent to bridge the widening skills gap and need to develop their internal talent pools to keep up with change. Therefore, organizations globally are feeling the urgency to upskill and reskill their employees at scale to stay resilient and competitive.

The L&D function will have to be at the forefront in helping organizations build a future-ready workforce. However, the function needs to focus on not only developing new skills among the workforce, but also on changing its own approach to learning, keeping employee preferences in mind. Today, employees want to explore learning on-the-go. They do not want to restrict themselves to the mandatory training modules that a traditional learning system offers. They find traditional learning non-engaging and its technology outdated and at odds with the learning experience they are used to outside the workplace. Furthermore, they feel that the learning content does not impart relevant skills required for their professional development. They believe that a more personalized and contextualized learning experience that blends seamlessly with their flow of work would benefit them the most.

These changing preferences have spurred significant innovation in the corporate learning landscape. Learning Experience Platforms (LXPs) were born to meet these needs. Being more learner centric, LXPs give employees the freedom to pursue their interests. They help employees explore learning opportunities and use intelligent methods to recommend content and personalize the learning experience for them. With the powerful infusion of data and analytics, LXPs are helping organizations transition to a data-driven & skills-based learning landscape, and we are still barely scratching the surface of what these platforms can do in the future.

This research provides an overview of the LXP market, including its features, key use cases, and the vendor landscape. It highlights why organizations need LXPs and how they can help enterprises meet new learning mandates in an ever-changing world.

Overview of LXPs

LXPs are user-centric L&D software that bring together learning content from a diverse range of sources at one place and provide a personalized learning experience to their users/learners. They typically do this through their network of integrations, which allow them to pull content from not only their organizations' internal learning resources, but also third-party resources and user-generated content in their catalogs. Users can easily navigate the courses and discover content relevant to them using LXPs' advanced search tools and filters. Additionally, an LXP offers personalized learning to each of its users, intelligently curating content and making smart recommendations to them based on their specific needs, profiles, roles, and past activity, among other things. Next-generation technologies, such as Artificial Intelligence (AI), personalize the learning experience to a whole new level and add context and relevance to users' learning experiences.

While LXPs encourage users to be in charge of their learning, they also allow them to collaborate and share their learning experiences with others using tools similar to those found on social networking platforms. Additionally, LXPs have an analytics and insights layer that tracks user engagement and supports data-driven decision-making in organizations. LXPs are also helping talent managers foster a culture of continuous learning throughout the organization. At the same time, they are making learning more engaging and accessible for employees by embedding it in their workflows. In fact, LXPs ensure that learning reaches employees, where the work is actually done, and in a way that allows employees to fully develop their potential.

The exhibit below depicts the key benefits of LXPs.

EXHIBIT 1

Key benefits of LXPs

Source: Everest Group
(2022)



L&D/HR leaders

- Quick and easy content aggregation in one platform
- Increased engagement
- Tracking of L&D-related metrics
- Creation of learning pathways



Employee

- Personalized learning experience
- Content aligned to development needs
- Learning anytime, anywhere
- Collaborative and social learning



Employer

- Quick and scalable employee upskilling and reskilling
- Employee satisfaction and retention
- Fostering a culture of learning
- Creating a workforce ready for future of work



Factors driving the need for LXPs

The importance of L&D in an ever-changing world

In today's fast-evolving work environment, organizations globally are shifting to a next-generation working model, which often translates to skill set disruptions for the workforce. The success of an organization depends on whether it can adapt to these rapid changes while keeping its employees up to speed with the latest emerging skills. The importance of L&D in such a situation cannot be overstated. Several drivers in the workplace have elevated the role of the L&D function in organizations, as highlighted in the exhibit below.

EXHIBIT 2

Key drivers for the enhanced role of L&D in organizations

Source: Everest Group (2022)

Focus on employee experience

In a hybrid world, the L&D function has an important role to play in engaging employees and improving their experiences. Today, organizations realize there is no one-size-fits-all approach to learning, and learning efforts need to be customized to learners to align employee and organization goals.

Talent demand-supply mismatch

A record number of workers left their jobs in the past two years. Workers chose not to remain in roles that did not fulfill their professional goals. By fostering a culture of continuous learning and building an Employee Value Proposition (EVP) of a firm that invests in its employees, organizations can rein in attrition rate and attract fresh talent.

Rapidly changing technology ecosystem

Next-generation technologies are increasingly becoming pervasive in all organizational aspects. To fully realize the potential of these technologies and stay relevant, organizations must upskill/reskill their workforce at scale to ensure they have the right talent aboard with the necessary skills.

Multi-generational workforce

Today enterprises manage a mix of generations in their workforce, each with varying digital savviness and different learning speeds. Thus, talent managers need to chalk out a learning strategy that fulfills these diverse learning needs and provides personalized learning experiences to every user segment.



To thrive in such times, organizations must focus on building skills among the workforce. By fostering talent, the L&D function can help organizations address skill deficits and prepare a workforce ready to take on the challenges of today and tomorrow. Employees are more likely to stay with an organization that invests in their careers. A robust L&D practice can satisfy employee needs and act as a pull factor to attract and retain talent in the organization. It can help organizations build a stronger employer brand and facilitate the development of a workplace culture that is more productive and engaging for employees.

Traditional learning systems falling short of meeting learning imperatives

As learning needs evolve in a digital landscape, organizations are increasingly finding their traditional learning systems slow in adapting to the steadily changing demands. A number of factors are responsible for these systems not meeting the needs of new working and learning styles, including but not limited to:

- Most traditional learning systems follow a push-based strategy to learning, placing the administrator, instead of the employees, in control of the learning journey
- They feature outdated user interfaces, which do not provide employees the learning experience they are used to on other platforms, such as Google and YouTube, resulting in low user engagement
- Employees find it difficult to search from the plethora of content on these systems
- Content is spread haphazardly across multiple systems, and they rarely provide the flexibility and integration capabilities that organizations need to launch courses quickly and easily
- Traditional learning systems are limited in their ability to provide insights and reporting that organizations need to make an informed L&D strategy, aligned with the broader business strategy
- Most of these systems have become outdated due to their inability to keep up with the latest technologies

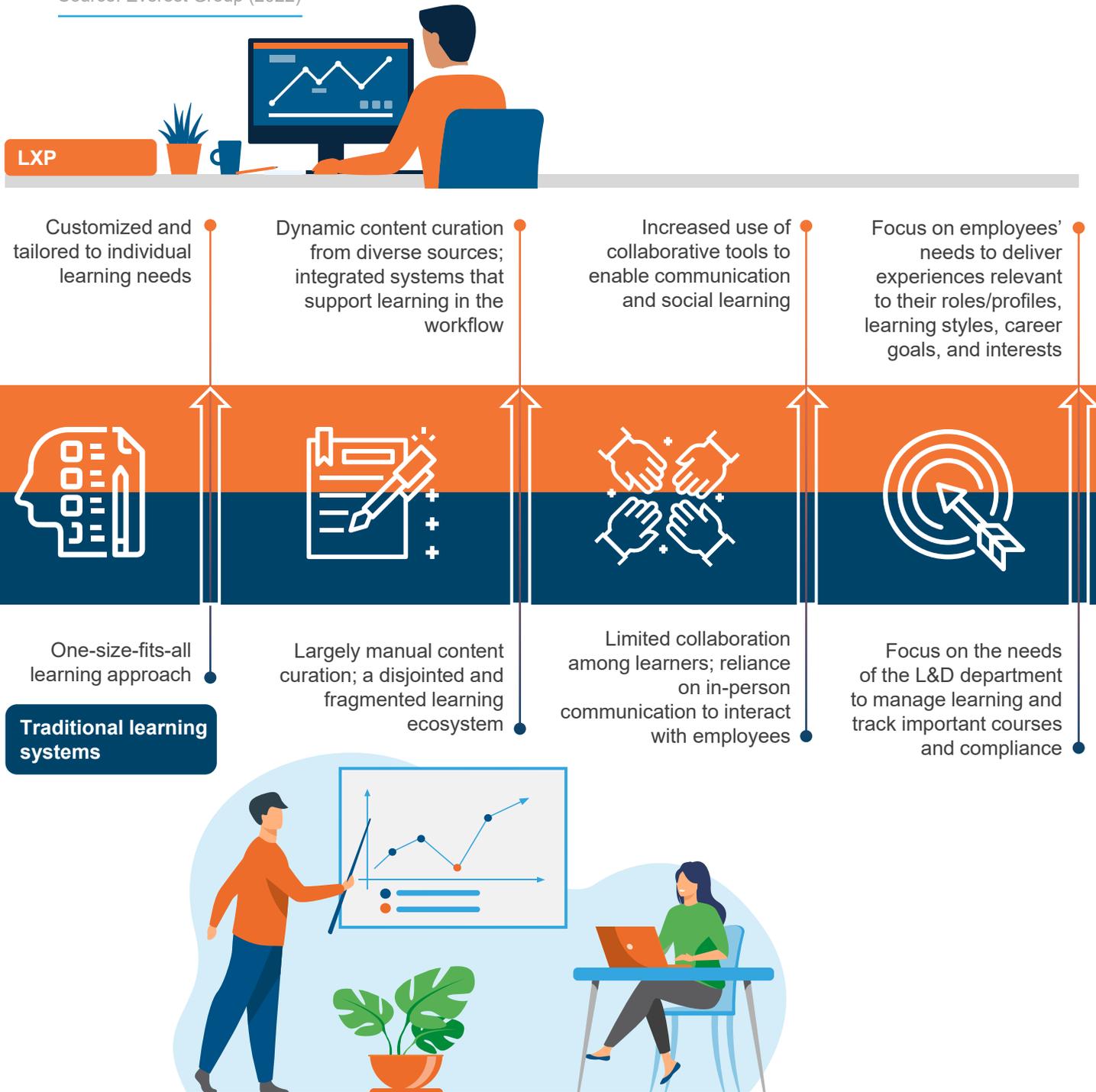
Exhibit 3 shows a comparison between traditional learning systems and LXPs.

LXPs are an evolutionary step forward in learning technology, moving from systems that only track learning inside the organization to systems that focus on employees' learning experiences and allow them to explore their interests for professional growth.

EXHIBIT 3

Traditional learning systems vs. LXPs

Source: Everest Group (2022)



LXP is a fresh approach to corporate learning, which has emerged in response to these challenges and inadequacies of traditional learning systems. LXPs are now a critical part of organizations' technology stack, helping enterprises improve employee experience and acquaint their employees with the skills of the future. They mark a shift to a pull-based learning strategy, which gives more control to the learner and expands learning opportunities for employees to support their professional development.

LXP features and use cases

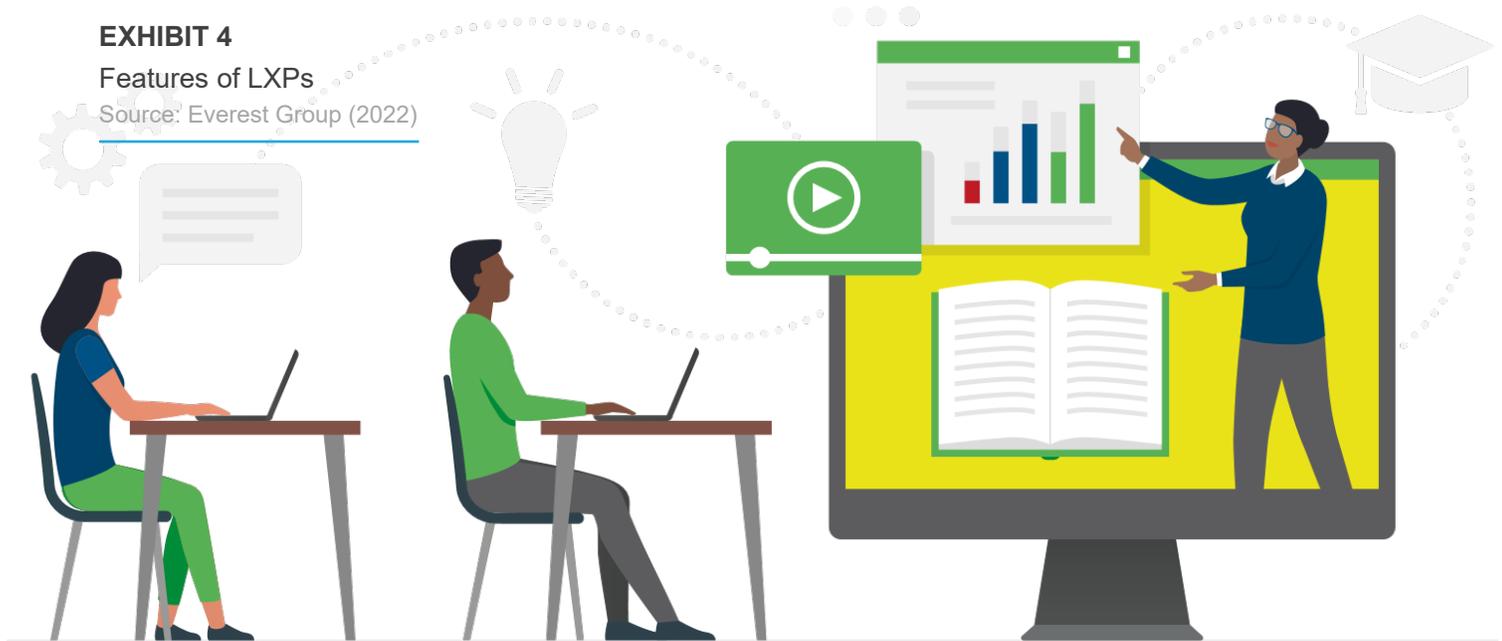
LXP features

A wide range of features helps LXPs provide the best outcomes for enterprises by driving learning closer to the learner, as illustrated below.

EXHIBIT 4

Features of LXPs

Source: Everest Group (2022)



Personalized learning



Multiple integrations



Social and collaborative learning



Skill-mapping capabilities



Content sourcing and discovery



Analytics and insights



User-generated content

We take a closer look at each of these features below.

- **Personalized learning:** At the heart of all the capabilities that LXPs offer is a highly customized, self-directed learning experience for users. LXPs put the learner at the center of the experience by personalizing content recommendations using AI-powered algorithms. They suggest relevant courses to users based on their roles, skill gaps, career paths, interests, and trending courses, among others
- **Content sourcing and discovery:** With LXPs, the learning experience no longer stays limited to the corporate learning system. LXPs can collate content from a wide variety of sources, both within and outside the organization, at one location. While doing so, LXPs ensure that the content is easily searchable for users
- **Multiple integrations:** LXPs offer extensive integration capabilities, enabling seamless connections with enterprise applications (ERP, HRMS/HRIS, CRM, etc.), collaboration and communication tools (MS Teams, Slack, Zoom, SharePoint, etc.), and other learning platforms. These integrations allow LXPs to deliver learning at the point of need to the user and in the flow of work and improve employee performance and productivity
- **Analytics and insights:** Leveraging the LXP-generated data, organizations can make their L&D functions more adaptive, efficient, and smarter. LXPs' analytics goes well beyond learning completion rates or learner performance (who, what, and for how long) and provides wider insights into learner behavior, social engagement, and key learning goals. They help drill down on individual's data points and enable organizations to measure the impact of learning more precisely than before
- **Social and collaborative learning:** LXPs offer virtual learning communities to foster more interaction between employees and amplify their engagement with the learning content. Learners can engage in discussion forums of their choice and express their views and expertise, as well as like, rate, and share content with others. Most LXPs also include gamification features, such as leaderboards, badges, and incentive/reward points, to motivate employees to keep learning and take up additional courses
- **User-generated content:** The longer it takes for an organization to develop a course, the more likely it will be outdated by the time it is delivered to its learners. LXPs can help organizations speed up the content creation process and keep it up to date by allowing learners/SMEs to create new content and contribute to learning resources. A majority of LXPs come with a built-in authoring tool, enabling users to create content faster and democratizing the content creation process
- **Skill-mapping capabilities:** By linking learning to skills, LXPs offer a great way to organizations to assess employee skill levels, identify skill gaps, and do career pathing to manage performance across the organization. LXPs support skill-based learning by mapping skills to content and enabling the user to tailor their learning path with the skills required to succeed

LXP use cases

Most LXP use cases revolve around providing training and development opportunities to users in a way that is both engaging and personalized to their unique needs. As they provide access to learner behavior, LXPs also have many analytics-based use cases. Using analytics, the L&D team can determine user engagement levels with different types of content, allowing it to optimize the learning program. LXPs are expected to evolve over time to help organizations manage performance and align employee skill development with their overall vision, mission, and strategy.

LXPs leverage different combinations of features for various use cases, while keeping the user experience in mind, as described below:

Illustrative use cases



Use case: upskilling/reskilling employees

Features leveraged: personalized learning, content sourcing and discovery, open architecture

With evolving roles and business needs, LXPs can help organizations bridge the skills gap among employees. By bringing training content at one place and using AI to make recommendations for relevant courses, LXPs can help employees upskill/reskill themselves and advance in their professional journeys.



Use case: onboarding new employees

Features leveraged: personalized learning, social and collaborative learning, open architecture

LXPs can help organizations make the onboarding process for new hires more personalized and effective. LXPs provide access to training resources at any time and from any location, offering new hires the flexibility to complete induction training at their own discretion. New hires can also use LXPs to interact and collaborate with colleagues and familiarize themselves with the organizational culture. Additionally, LXPs can assist talent managers in streamlining the onboarding process by integrating with the Human Resources Information System (HRIS) / Human Resources Management System (HRMS).



Use case: improving training programs

Features leveraged: analytics and insights

Enterprises can maximize the ROI on their L&D spending by utilizing the data that LXPs generate. LXPs can provide valuable insights and feedback to L&D teams and managers to improve their solutions and make them more employee centric. Moreover, using analytics and user feedback, enterprises can better analyze the strengths and weaknesses of any training program, which, in turn, can help streamline the process.



Use case: training the extended enterprise

Features leveraged: open architecture, personalized learning

Leveraging LXPs, enterprises can allow role-based access to their training resources to customers/partners/contractors. The platform can be contextualized as per the requirement of each enterprise, and the experience can be personalized for each role within the enterprise. Customers can use the LXP to understand the product features and benefits. Partners and contractors can use it to obtain certifications for their skills.



Use case: enabling peer learning and building organizational memory

Features leveraged: user-generated content

By empowering the employees to create content and contribute to the training resources, LXPs enable organizations to foster a culture of continuous learning, where employees can learn from each other. Not only the current employees, but also those who have long left the organization may end up training employees with whom they do not work anymore by creating courses and sharing their knowledge and expertise using LXPs built-in authoring tool.

**Use case: carrying out performance and talent management**

Features leveraged: analytics and insights, skill mapping capabilities

Organizations expect their L&D programs to drive improvements in employees' productivity and performance. LXPs can help organizations link learning to performance management by providing greater visibility into their employees' learning progress and identifying their strengths and skill gaps, which can then be used to guide personalized development plans for each employee.

By making learning more interesting, engaging, and accessible for employees, LXPs help organizations upskill/reskill their workforces at scale and create a competitive advantage.



Market overview and vendor landscape

Increased focus on personalizing the learning experience for employees throughout their life cycles, the need to reskill/upskill fast at scale, and the need to shape up a future-ready workforce have given an impetus to the LXP market. In fact, LXPs are becoming a vital part of the overall employee technology ecosystem and are experiencing an influx of funds (close to US\$1 billion) from the investor community and private equity firms.

The market is thriving with several vendors operating in the space, including next-generation start-ups and traditional LMS / learning technology players that have diversified to provide a holistic learning experience to users. An illustrative set of vendors with LXP capabilities are listed in the exhibit below.

EXHIBIT 5

Vendors with LXP capabilities

Source: Everest Group (2022)

NOT EXHAUSTIVE

LXP vendors



The market has experienced increased activity, with providers opting for the inorganic route to reduce time to innovate and scale. Most acquisitions in the LXP market are to expand provider capabilities to help enterprises offer a superior experience to users through features such as personalized content, quick upskilling, user behavioral insights, learning pathways, and career mobility options. Some providers have also acquired learning technology providers to increase their geographic footprint and access to the market and offer bundled solutions, such as those combining LMS and LXP capabilities.

The exhibit below outlines the recent M&As in the LXP market¹.

EXHIBIT 6

M&As in the LXP market

Source: Everest Group (2022)

Acquirer	M&A Target	Acquisition description
 cornerstone		Offers integrated products to deliver a next-generation learning, talent infrastructure, and a better learner experience
		<ul style="list-style-type: none"> • Delivers compliance training through an LXP to meet critical business needs • Learning Pool utilizes behavioral insights to measure and manage clients' risks through True Office Learning's solutions. The insights can be used to personalize the learning experience • The combined solution can deliver results by using AI and advanced machine learning techniques
		<ul style="list-style-type: none"> • Leverages Loop's data-driven automation for the 360Learning platform to provide learning path enhancements and custom dashboards to uncover insights and drive impact • Enables clients to gather learner feedback outside courses with surveys • The acquisition brings in advanced versioning, whereby clients can manage and track multiple course versions
		<ul style="list-style-type: none"> • Docebo has acquired Skillslive to align its learning pathways with professional development, competencies, compliance, certifications, and accreditations • Contributes to the expansion of Docebo's footprint in Australia and accelerates time-to-market by adding specialized talent and infrastructure in APAC
		<ul style="list-style-type: none"> • Offers an end-to-end employee experience that helps employees develop and find career opportunities • Provides a technology and consulting solution to develop and retain employees for organizational performance • Aims to reduce employee turnover costs and labor shortages by upskilling clients' employees and improving career mobility
		Extends LTG's learning and talent offering in the mid-enterprise market
		<ul style="list-style-type: none"> • Utilizes Adept's technology to offer a talent marketplace to enable internal mobility • Offers total talent networks that leverage AI to match internal and external workers to open projects, gigs, and job opportunities that fit their abilities and career goals • Provides tools to track and access the skill sets of clients' entire pool of available talent, including current and past employees

¹ Based on public disclosures

The road ahead for LXPs

The alarming skills gap, the demand for skilling at scale, and the need to provide a hyper-personalized learning experience have led to the emergence of solutions such as LXPs to build a skilled workforce ready for the future. In terms of the capabilities that LXPs can offer, the software is nowhere near the finish line. LXP platform vendors are investing heavily in building new product features that can offer wider capabilities to enterprises, including career pathing and building a skill-based talent pipeline.

With significant investments in products and services, we can expect the following themes to unfold in the LXP market in the future:

- **Learning culture in the organizational DNA:** Enterprises will be able to embed a culture of learning seamlessly. Subsequently, enterprises will intertwine learning with the way they reward, pay, and manage employee performance, thereby encouraging everyone in the organization to perform to their full potential, providing them with fulfilling careers, and reducing the need to hire external talent
- **Move beyond the learning experience:** Learning cannot exist in isolation from other functions. LXPs will be increasingly integrated or bundled with internal mobility, performance management, rewards & recognition, and other HR tools to create a total experience throughout the employee life cycle, with skills as the glue
- **Evolution of analytics:** With a large volume and variety of data, the role of higher-order analytics, which provides in-depth understanding of gaps, will increase. Next-generation platforms will make it possible for enterprises to significantly cut down the time taken to analyze learning or skill gaps and take corrective actions



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