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A Note From the Sponsor

absorb In today's economy, learning is a strategic imperative. Organizations that prioritize continuous development are the ones best equipped to lead through change, adapt with agility, and unlock the full potential of their people. Whether it's employees, customers, partners, or members, everyone thrives when learning is part of the everyday rhythm of business.

At Absorb, we've built our platform with this future in mind. Our Strategic Learning Systems (SLS) approach helps organizations embed learning into the very fabric of their operations. By combining AI, personalization, automation, and actionable insights, we're making it simple to deliver impactful learning at scale—while giving L&D leaders the clarity to measure success and amplify what works. The result is smarter learning that builds skills, drives engagement, and accelerates performance.

But learning doesn't stop at learning systems—it's also driven by human connection. That's why we recently welcomed Together, a leading mentoring platform, into the Absorb family. We're expanding our vision to help organizations foster more personalized, relationship-driven growth through mentoring and coaching.

We want to give you a direct experience of how mentoring and coaching can move the needle for HR and L&D. We also recognize a gap in how these professionals access growth opportunities for themselves. So, we created the Mentorship Network—a free, purpose-driven global community offering unique opportunities to both mentor and be mentored. It's a space for peer-to-peer exchange, deeper connection, and continuous learning for those who so often prioritize others' development.

The 2025 State of the Industry reflects a critical shift in how organizations view learning—not as a perk, but as a business essential. At Absorb, we're proud to help lead this evolution by empowering organizations to turn everyday learning into a lasting advantage.



About the Sponsor

Absorb Software is the leading global Al-driven learning platform provider, helping organizations unlock the full potential of their workforce. With its innovative Strategic Learning Systems (SLS) approach, Absorb empowers businesses to align learning with strategic goals, driving measurable impact and workforce agility. The Absorb LMS platform delivers personalized, scalable, and engaging learning experiences for employees, customers, and partners worldwide. Trusted by more than 3,300 organizations and 34 million users, Absorb is redefining the future of workplace learning through cutting-edge Al, seamless integrations, and an unwavering commitment to innovation.

Together's mentoring and coaching platform enhances Absorb's ability to empower organizations to deliver collaborative learning solutions that reflect how people truly learn on the job. This platform, combined with our industry-leading LMS, creates a holistic approach to learning that drives deeper engagement, productivity, and measurable business outcomes.

That vision comes to life through our Mentorship Network—a free, purpose-driven global community offering unique opportunities to mentor and be mentored. By joining, you'll expand your professional network and connect with HR and L&D peers from around the world to share insights, challenges, and experiences. You'll also gain instant access to valuable skill-building resources—including case studies, research reports, and exclusive invites to webinars and workshops led by industry leaders and subject matter experts. Visit togetherplatform.com/the-hr-network to sign up for free.

Learn more about Absorb at <u>absorblms.com</u> and explore mentoring solutions from Together by visiting <u>togetherplatform.com</u>.



Introduction

Thank you for participating in the *2025 State of the Industry* study. We appreciate your support of this important research initiative. To show our appreciation, we've produced this exclusive report detailing the challenges and the priorities of the TD function. We hope it will give you the opportunity to learn about what other organizations are experiencing and how they are overcoming the same challenges you might be experiencing. This report also includes links to ATD resources to learn more about these topics.

Thank you again for participating in the research. We appreciate you!



Section 1

Challenges

In 2024, the top 5 challenges for organizations faced were:

- Prioritization of multiple demands
- Combating employee engagement
- Leadership development
- Not enough time to devote to projects
- Inadequate budget or resources



Prioritization of Multiple Demands

In 2023, prioritization of multiple tasks was the number 1 challenge mentioned by TD professionals, and this remained the top challenge in 2024. TD professionals are continuing to be busy year after year. A third of TD professionals said this is one of their top three challenges.

To overcome this challenge, respondents say they:

- Prioritize goals and scale back or eliminate less important goals.
- Develop strategies to identify urgent and important tasks.
- Hire more employees.
- Look at the big picture and focus on what is important.
- Have conversations with their leaders about their multiple tasks.
- Start having check-ins with project stakeholders to review priorities and discuss deadlines.
- Use AI to create solutions.
- Outsource some projects.

In her 2023 *TD* magazine article "Relieve the Bottleneck of Training Requests," Sophie Oberstein shares some suggestions for handling a pent-up demand for training. She discusses establishing priorities, the importance of providing something, and preserving the need for a needs assessment.¹

For more information and to read "Relieve the Bottleneck of Training Requests," visit td.org/content/td-magazine/relieve-the-bottleneck-of-training-requests.

Combating Employee Disengagement

In 2023, combating employee disengagement was the eighth most common challenge for TD professionals, jumping to the second most common challenge in 2024. This year, 30 percent of TD professionals said disengagement was a challenge for them.

To overcome this challenge, respondents say they:

- Survey their employees more often and have intentional conversations about what employees need.
- Give staff a voice when selecting training topics.
- Hire more employees.
- Make the work environment more engaging and fun.
- Incentivize participation in training programs.
- Make their training more engaging.

Davis Robinson wrote about employee engagement programs in his *TD* magazine article "Engaged or Encaged?" He suggests long-term solutions that can help organizations prioritize employee engagement.²



Defining Engagement

This report defines engagement as "a heightened emotional and intellectual connection that employees have for their jobs, organizations, managers, or co-workers that influences whether they apply additional discretionary effort to their work."³

For more information and to read "Engaged or Encaged?" visit td.org/content/td-magazine/engaged-or-encaged.

Leadership Development

Leadership development was the third most common challenge listed for the second year. This year, 27 percent of TD professionals said leadership development is a challenge at their organization.

Leadership development may seem overwhelming for organizations because there are so many methods for implementing it. It's important for TD professionals to determine which methods work best for their organization. When asked how they overcome this challenge, respondents said they:

- Make leadership development training mandatory.
- Refresh their leadership development training.
- Move leadership training from being outsourced to creating in-house programs.
- Outsource leadership development training.
- Collaborate with leaders to find out what they want to see in training programs.
- Partner with the marketing team to increase training enrollment.
- Use seasoned leaders to teach new leaders.
- Start using coaching.
- Offer ongoing training opportunities for leaders.

For more information and to read "3 Leadership Development Trends You Shouldn't Ignore in 2025," visit td.org/content/atd-blog/3-leadership-development-trends-you-shouldn-t-ignore-in-2025.

In an ATD blog post, Russ Hill discusses three leadership development trends you should not ignore in 2025:4

- Personalized leadership development
- An emphasis on measuring impact
- Preparing for hybrid leadership challenges

Not Enough Time to Devote to Projects

TD professionals are busy. Not having enough time to devote to projects was the fourth most common TD challenge for the second year. Twenty-two percent of TD professionals said this was one of their biggest challenges. They are working on multiple projects and must manage their time wisely.

When asked how they overcome this challenge, respondents said they:

- Create more online training programs.
- Focus the team's efforts on priorities.
- Hire additional TD staff or temporary staff.
- Prioritize tasks and hold off on projects with a lower priority.
- Outsource some projects.
- Identify subject matter experts who can help with projects.
- Start using a more robust LMS.
- Discuss timelines and deadlines with their stakeholders.

In her article "Want to Speed Up Training Development Time?" Robyn Defelice discusses the barriers TD professionals experience when trying to develop training efficiently. The article also includes case studies.⁵

For more information and to read "Want to Speed Up Training Development Time?" visit td.org/content/td-magazine/want-to-speed-up-training-development-time.

Inadequate Budget or Resources

The 2025 State of the Industry also asked about TD budgets, and we received a range of responses—from those with very large budgets to very small ones. Twenty-two percent of TD professionals said they struggle with an inadequate budget or resources. Budget issues were the fifth most common challenge in 2024 (down from second in 2023).

When asked how they overcome this challenge, respondents said they:

- Determine where they can cut their budget and use that money for other projects.
- Only do essential training programs.
- Limit the scope of projects to fit their budget.
- Limit outsourcing, and try to do more in-house.
- Use vendors with multiple services instead of different vendors for each project need.
- Collaborate with other departments to share the costs of projects.
- Reduce staff.
- Leverage AI to build courses.
- Request additional funds or resources by showing the ROI and positive impact their departments have made for the organization.

To learn more about ATD's On a Shoestring series, visit td.org/product/book--shoestring-series/142409.

ATD's On a Shoestring series is written for TD professionals who are struggling with limitations of time, money, staff, and other resources. The four books in this series (which can be bundled together or purchased separately) focus on measurement and evaluation, instructional design, e-learning design, and needs assessments.

Other Challenges

TD professionals deal with many other challenges on a daily basis. Nineteen percent of organizations are trying to leverage artificial intelligence and finding it to be challenging. As the use of AI continues to increase, organizations are struggling to determine best practices and policies around its use. Three ways some TD professionals are using or interacting with AI are:

- To become more efficient with their tasks
- In training programs as coaches or to personalize learning
- By creating training content to teach employees about the best uses of AI or how to use AI

Fourteen percent of organizations said they are struggling to report measurable business outcomes. Evaluating impact is a difficult task that some TD professionals struggle with.



Section 2

Priorities for the Future

The top 5 priorities for TD departments are:

- Bridging the skills gaps of employees
- Leadership development
- Creating a culture of learning
- Aligning learning programs to business goals
- Creating new training content.



Skills Gaps

Bridging skills gaps remains the most common priority in 2024. Many organizations (37 percent) said they plan to prioritize skills gaps in the next year. Of people who said this was a priority, 48 percent said they are ready to tackle this challenge right now and 49 percent are working on a plan.

ATD's Skills Gap Action Plan Checklist is designed to help TD professionals prioritize filling skills gaps. This six-step checklist provides a comprehensive list of tasks that include understanding organizational goals, identifying competencies, assessing the skills gap, setting goals to fill gaps, implementing a solution, and measuring and communicating the impact.



Defining Skills Gap

This report defines a skills gap as "a significant gap between an organization's current capabilities and the skills it needs to achieve its goals and meet customer demand."

For more information and to access the Skills Gap Action Plan Checklist, visit td.org/templates-and-tools/skills-gap-action-plan-checklist.

Leadership Development

Leadership development stayed the second most common priority for TD professionals for a second year. Leadership development is a priority for 33 percent of organizations in the future. Of organizations that are prioritizing leadership development, 58 percent are ready to tackle the issue, while 37 percent are working on a plan.

The Organizational Readiness Audit for Leadership Development Programs is an 18-question quiz ATD members can use to determine whether their organizations are ready for a leadership development program, as well as which area to focus on.

For more information and to access the Organizational Readiness Audit for Leadership Development Programs, visit td.org/templates-and-tools/organizational-readiness-audit-for-leadership-development-program.



Defining Leadership Development

This report defines leadership development as "any activity that increases an individual's leadership ability or an organization's leadership capability, including activities such as learning events, mentoring, coaching, self-study, job rotation, and special assignments to develop the knowledge and skills required to lead."⁷

Culture of Learning

TD professionals are also prioritizing creating a culture of learning. This is the second year that creating a culture of learning was ranked as their third most common priority. Of people who said this was a priority, 44 percent are ready to tackle this challenge and 49 percent are working on a plan.

Jacqueline Burandt's *TD at Work* issue "Create an Exceptional Learning Culture" outlines a five-step process for creating a culture of excellence, along with guidance on how to align with strategic internal and external parties, job aids, and essential tools for building and sustaining a high-quality learning organization.

For more information and to access "Create an Exceptional Learning Culture," visit td.org/product/td-at-work-guide--create-an-exceptional-learning-culture/251910.



Defining a Learning Culture

This report defines a culture of learning as "an organizational culture in which employees continuously seek, share, and apply new knowledge and skills to improve individual and organizational performance."8

Aligning Learning to Business Goals

TD professionals are prioritizing aligning their learning to business goals in the future. This is the second year that aligning learning to business goals was the fourth most common priority. Of people who said this was a priority, 51 percent are ready to tackle the challenge and 43 percent are working on a plan.

"A Strategic Approach to Talent Development" is a *TD at Work* collection that includes issues on turning trainers into strategic business partners, measuring the impact of TD, training budgets, business acumen, dashboards for the C-suite, and fueling business strategies with L&D analytics.

For more information and to access "A Strategic Approach to Talent Development," visit td.org/product/td-at-work-guide--a-strategic-approach-to-talent-development/241901.



Defining Business Acumen

This report defines business acumen as "a combination of knowledge and skill informed by experience: knowledge about key business issues, the skill to apply that knowledge, and the confidence to take action. It includes the ability to provide a big picture view of a situation and to influence both strategic decisions and decision makers."

New Content

TD professionals are prioritizing creating new training content in the future. This is the second year that creating new content was the fifth most common priority for TD professionals. Of people who said this was a priority, 56 percent are ready to tackle this challenge and 41 percent are working on a plan.

When it comes to facilitation, content is always king. The Curating Quality Content job aid is designed to help trainers ensure that their material is valuable to an audience that thirsts for the wisdom they possess. This quick checklist provides four suggestions for effectively curating content.

For more information and to access Curating Quality Content, visit td.org/templates-and-tools/curating-quality-content.



Other Priorities

Other priorities that organizations are focusing on include making training more accessible, combating employee disengagement, and leveraging AI.

- 24 percent of organizations said they are prioritizing the accessibility of their training programs. ATD's Accessibility Considerations for Different Learning Environments tool contains three tables outlining accessibility considerations for face-to-face, online instructorled, and online asynchronous learning.
- 23 percent of organizations are prioritizing combating employee disengagement. The Staff Engagement Survey Template provides a five-question staff engagement survey template to help TD professionals ask deeper questions about why employees are engaged or disengaged.
- 22 percent of organizations are prioritizing the use of AI in talent development. ATD's AI Use Cases tool provides suggestions and examples of how TD professionals can begin using AI for content creation, data analysis, training needs assessments, and other topics.

For more information and to access Accessibility Considerations for Different Learning Environments, visit td.org/templates-and-tools/accessibility-considerations-for-different-learning-environments.

For more information and to access the Staff Engagement Survey
Template, visit td.org/templatesand-tools/staff-engagement-surveytemplate.

For more information and to access Al Use Cases, visit td.org/templates-and-tools/ai-use-cases.

Conclusion and Looking Ahead

As you reflect on the challenges your organization is experiencing and think about future priorities, this report will provide you with the reassurance that other organizations are experiencing similar TD challenges and formulating similar goals and objectives. We hope that ATD's 2025 State of the Industry and this bonus report will help your organization make data-driven decisions around the TD function and learning initiatives. Thank you for your contributions and we hope you continue participating in future ATD research initiatives.



Notes

- ¹ S. Oberstein, "Relieve the Bottleneck of Training Requests," *TD*, August 2023, td.org/content/td-magazine/relieve-the-bottleneck-of-training-requests.
- ² D. Robinson, "Engaged or Encaged?" *TD*, August 2023, <u>td.org/content/td-magazine/engaged-or-encaged</u>.
- ³ Association for Talent Development, *TDBoK Guide*, 2nd edition (ATD Press, 2024).
- ⁴ R. Hill, "3 Leadership Trends You Shouldn't Ignore in 2025," ATD Blog, January 30, 2025, td.org/content/atd-blog/3-leadership-development-trends-you-shouldn-t-ignore-in-2025.
- ⁵ R. Defelice, "Want to Speed Up Training Development Time?" *TD*, November 2023, td.org/content/td-magazine/want-to-speed-up-training-development-time.
- ⁶ ATD, Bridging the Skills Gap: Workforce Development in Changing Times (ATD Press, 2022).
- ⁷ ATD, TDBoK Guide.
- ⁸ ATD, Developing a Culture of Learning: Strategies for Organizational Achievement (ATD Press, 2021).
- ⁹ ATD, TDBoK Guide.



About the Authors and Contributors

The Association for Talent Development (ATD) champions the importance of learning and training by setting standards for the talent development profession. ATD is the largest, most-trusted organization for the professional development of practitioners in training and talent development, serving a worldwide community with members in more than 100 countries. Since ATD was founded in 1943, the talent development field has expanded significantly to meet the needs of global businesses and emerging industries. ATD's mission is to empower professionals to develop talent in the workplace.

The resources we provide to help talent development professionals increase their impact and effectiveness include our research. ATD's researchers track trends, inform decisions, and connect research to practice and performance. By providing comprehensive data and insightful analyses, ATD's research products, which include research reports, briefs, infographics, and webinars, help business leaders and talent development professionals understand and more effectively respond to today's fast-paced industry.



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