



Put learning and development strategy first

Build an agile workforce to support your modern government

Challenge to complete the mission with growing skill gaps

Denise and her team recently implemented a new finance operating model. They were on the path to be a more process-driven and stakeholder-centric federal department as part of their finance modernization. The new model would provide real-time data they could use regularly to identify and apply process and performance improvements across the agency. Well into the implementation, Denise learned the training organization lacked the resources to support the modernization efforts. As deputy chief financial officer, Denise did not have the strategy or capacity to help financial business partners agency-wide adopt the new processes and technology or evaluate operational impact and effectiveness as the team applied the new operating model to the current environment and impacted roles.*

Institutionalizing modernization efforts like this cause unique challenges considering today's expanding digital landscape and evolving employee development needs. Modern federal governments need a more flexible, adaptable, and responsive workforce. Estimates say organizations will invest more than \$7 trillion in making work more digital by 2023.¹ This means workers need to develop digital, automation, cybersecurity, and artificial intelligence skills to keep pace with modernization efforts and customer requirements. However, a recent study found 63 percent of major federal departments report gaps in employees' knowledge and skills.²

Limited federal agency resources combined with a competitive job market and changing demographics make it equally important for agencies to retain current employees as they compete for talent. The most certain approach in defense and civilian agencies is to upskill, reskill, and develop leaders from within. To take on the current skills crisis, an agency's learning strategy must complement its business strategy. Leaders should anticipate learning programs and tools needed to complete missions and include metrics to monitor program success.

Why modern government is important

Government agencies in the U.S. must modernize in order to keep up with changing user needs, regulations, and health and public safety requirements. Leaders of modern governments rethink business processes and service delivery models to more effectively achieve their mission. This article is one of a series that features how modernizing affects the government workforce and the user experience, improves security and public trust, and accelerates the digital journey. KPMG team members offer insights intended to help guide governments in their modernization efforts to encompass all processes, technologies, policies, and the workforce so each works together to create connected, powered, and trusted organizations.

As organizations adapt to changes in their operating environments, business objectives, emergent technologies, and employee demographics, it becomes critical to engage learning strategies that are targeted in intent while remaining flexible in application at all levels. A learning strategy will not eliminate complexities and disruptions, but will allow agencies to prepare for them. A well-planned approach can enable leaders to adjust quickly and position people where they need them most, faster, and with better measurable results. This article presents how **federal agency leaders** responsible for **employee learning and development** can **create a learning strategy to reskill and upskill** workers to help **build the best workforce possible**.

¹ Source: CNBC, Sully Barrett, "\$7 trillion to be invested in making work more digital by 2023: ServiceNow CEO," April 30, 2020.

² Source: Partnership for Public Service, "Partnership for Public Service 2020-2021 Impact Report," 2021.

*This simulation is a work of fiction. Any names of persons, companies, events or incidents, are fictitious. Any resemblance to actual persons, living or dead, companies or actual events are purely coincidental.





What makes a learning strategy work

Federal agencies often react to business continuity disruption, complexity, and external influences with traditional learning methods such as classroom or other event-based training. Instead, agency leaders must **be proactive by creating an organizational learning strategy to enable workforce reskilling and upskilling** while adapting to disruptions and complexity where application of new skills and behaviors makes the most meaningful impacts to the organization. The approach is successful when it **supports the organization's vision and goals today and in the future**. The foundation of a learning strategy is operationalizing and maintaining a human-centric connection to organizational execution and goals.

Robust learning strategies are multifaceted. They:

- Allow federal agencies to **build a competitive talent advantage** through talent management, performance management, and succession planning
- Help design, curate, and sustain the organization's desired **learning culture** focused on optimal employee utilization to positively impact the capacity for innovation and continuous improvement
- Address industry data that supports a modern learner's perspective, which includes multiple delivery methods and evolving enabling technologies. These future-forward capabilities can accelerate internal development opportunities, which improves **workforce and succession planning** outcomes by providing a more accurate picture of available skills and proficiency gaps that can be targeted at all organizational levels.

A **learning strategy** is a human-centered approach that helps ensure employees have the right knowledge, skills, and competencies to meet current and future workforce requirements. It combines learning practices, talent profiling, and employee performance into scalable, measurable priorities for more successful human capital planning and operational excellence. It includes emerging technology to deliver the organization's vision and creates a positive learning culture.



Where business and learning strategies intersect

Agency leaders want to measure the impact of learning they deliver to employees. They request data insights and predictive analytics to track efficiency improvements. When business and learning strategies intersect, agency leaders can **predict resource needs** and **measure the impact learning has on business performance**. In Denise's scenario, the organization identified a significant lack of resources to execute the new finance operations model. These deficiencies began to impact operations and roles downstream from the core finance group, creating impacts to the organization not previously predicted. The perceptions of instability and uncertainty impacted confidence of the new model's ability to move the organization forward.

When a balanced learning strategy aligns to success outcomes, **measuring value is possible**. In the following example, KPMG executed a learning strategy through an organization-wide program using analytics tools and insights to improve a civil service workforce and anticipate future skills the organization would need. Our technology and approach enabled us to identify operational impacts early and develop a metrics strategy to measure the impact of learning. It also helped us understand how applying the objectives affected the organization's learning culture based on these results:

- Eighty-eight percent of learners reported a positive impact on skills and knowledge as well as an expected performance improvement directly attributable to learning.
- Data and insights reduced costs by 22 percent and improved learning quality by 10 percent.

In Denise's case, she recognized that the implementation didn't include any forecasts for resource needs or the impacts of the required training to current roles in the organization. The results became apparent after the program's unsuccessful launch. When business and learning strategies align, these risks are more apparent and actionable prior to any large implementation. The key is to view data and analysis through a lens of where the organization is going and how an organization optimally utilizes people, the most important asset, for performance, continuous development, and future capabilities. The right data equips leaders with knowledge to create work environments in which employees feel empowered for success. They tend to express more positive views of their organization and deliver higher service levels so their customers have a better experience.

When organizations take proactive approaches like this, the workforce has flexibility to manage geopolitical concerns as well as disruptions and complexities such as modernization efforts.

Learning that supports modern learners and modern governments

A well-crafted, rigorously executed learning strategy can help ensure an agency's learning and development organization supports the agency in **achieving future missions**. The opening scenario is a common one where user adoption is the make-or-break measure of success for modernization.

With an expanding digital landscape, constantly changing constituent needs, and a workforce in flux, the skills gap will continue to grow. Many believe adopting a learning strategy is the most important part of an agency's business strategy. Agency leaders and financial organizations pressure their organizations to monitor costs, especially recruiting, hiring, and onboarding-to-performance costs. To effectively monitor spending, they need the ability to evaluate current training services that increase performance, adaptability, and retention. When learning and business strategies align, employees receive the **right training in the right way at the right time**.

A complete learning strategy would include actions and metrics to support organizational priorities. As an example, Priority 1 of the **President's Management Agenda** is "Strengthening and Empowering the Federal Workforce." This is especially relevant to learning and development. If done right, federal agencies can lead in human capital management by using data to help create an experience that focuses on people. Performance.gov includes workforce priorities, goals, and success metrics. These include attracting the right talent for the right roles; promoting diversity, equity, inclusion, and accessibility; and increasing employee engagement.³ A robust learning strategy can help meet these federal goals as well as individual agency missions.

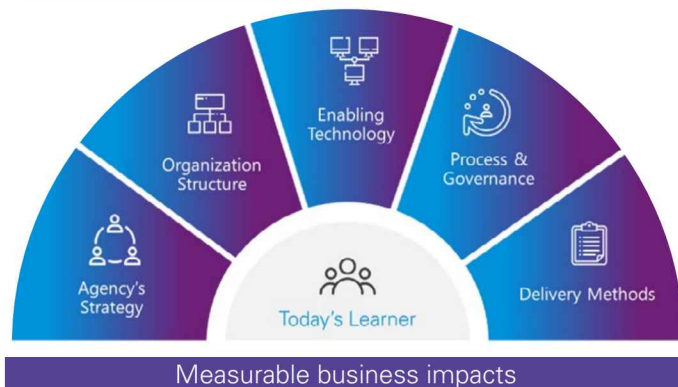
³ Source: Performance.gov, "Strengthening and Empowering the Federal Workforce," 2022.



Embrace modern learning approaches

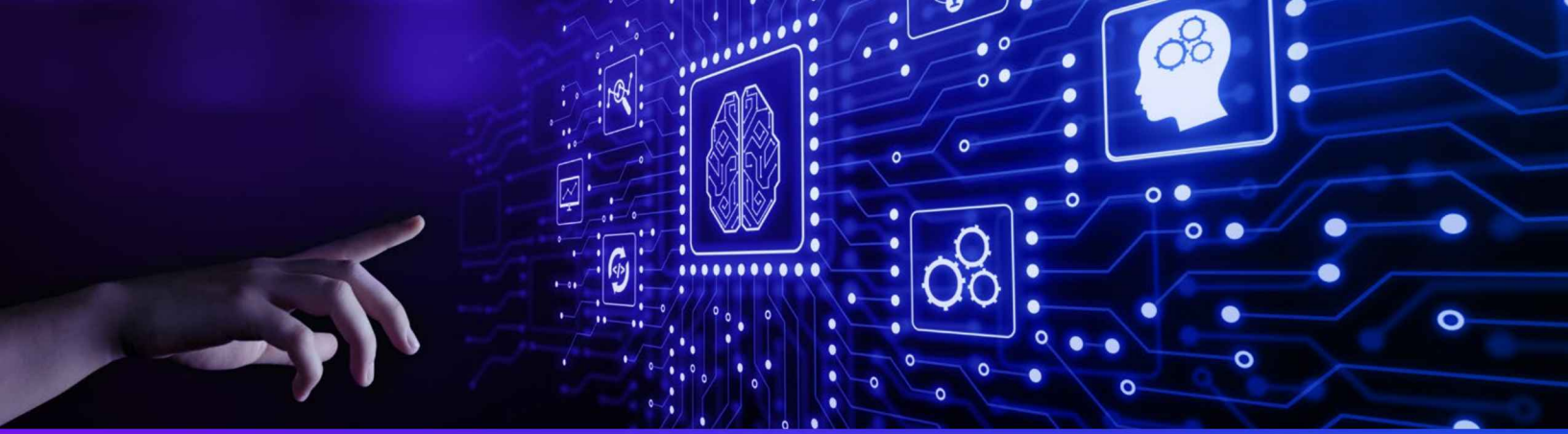
The learning experience at most federal agencies lacks modern learning methods such as social and collaborative learning and learning in the flow of work. Effective learning strategies that use modern methods deliver training with learners and business in mind.

Learning strategy framework



They have these elements and characteristics as illustrated in the diagram:

- 1 When **learning and business strategies align**, leaders can better measure current actions, plan for adjustments, predict future requirements, and determine the right resource balance to support the mission.
- 2 Agencies can **bridge the digital skills gap** by embracing **enabling technologies** that support mobile learning and microlearning, which are bite-sized training modules workers access as they work, and **learning in the flow of work**, which allows employees to be more productive and encourages problem-solving. Gaming is growing in popularity since it educates and engages workers. It enables development interventions such as fieldwork, pre- and post-classroom digital learning, social learning, on-the-job coaching and mentoring, and short workshops.
- 3 **A cross-functional governance model** with clear accountability and decision authorities is critical to understand and improve a holistic learning process.
- 4 **Measurable business performance improvements are possible**, such as enhancements to individual performance, employee engagement, team effectiveness, and processes. Organizations can measure the overall learning ecosystem, which is comprised of people, content, technology, culture, and strategy that impact formal and informal learning.
- 5 **Talent and performance management processes** integrate to help ensure employees understand the knowledge and skills they need to perform their jobs. Integration encourages conversations between operational, talent, and training leaders to help ensure workforce knowledge and skills meet the organization's needs.
- 6 **Learner-centered delivery methods** create journeys that improve learning decision-making, content acquisition, and student experiences. Employees can evaluate their learning experiences so organizations have information to adapt approaches effective for the overall cultural landscape and to reinforce changes necessary for the future of work. Organizations can also gather insights when they use their top performers' diverse contributions.



Steps to create your learning strategy

Healthy social learning environments can help employees become empowered to take charge of their learning experience and see the effects their learning has on their and the organization's success. Leaders must collaborate to foster and model an environment that values and leverages learning contributions to the overall organization mission and objectives. When learning methods align with the business strategy, more leaders buy in. The following steps include questions to explore as you create a sustainable learning strategy:

- **Review your organization's current learning strategy.** Does it address future and current workforce needs, skills, and performance gaps? Does it identify critical organization roles? Does it include reviews and updates to strategic objectives by critical role? Does it include support from within for future missions?
- **Assess the organization's culture to enable and sustain learning.** What kind of learning culture does your organization need? Does the organization value innovation and continuous improvement? Does the culture encourage performance coaching, rewards and reinforcement, and mobility/development? Is the learning experience effective for employees?
- **Review current training infrastructure.** Do learning management processes meet future needs? How well do you know your learners? What technology do you need to create the desired learner experience? Are there opportunities to reduce development and delivery complexities and costs?
- **Identify connections to talent and performance management processes.** Is the organization's vision consistent with hiring, succession, and development planning? **Social collaboration** enables employees to raise their interaction with the content, provide comments and user-generated content, and react within a quantitative as well as qualitative environment.

Don't get stuck in learning events

Effective training is moving from event-based to strategy-based models. This shift highlights how fast available technology and skill development must evolve to support long-term success and applies even more in organizations with increasing spending and resource allocation pressures. Event-based learning models are less effective in environments requiring more adaptability and flexibility from the learner or the organization's business processes. The nature of work can also interrupt how people apply specific learning. This makes periodic on-the-job feedback and evaluation as well as access to demand-based knowledge crucial to demonstrate the overall value of learning. Event-based learning models often do not include on-the-job evaluation strategies where leaders observe and measure increases in skills. Creating and following a learning strategy as outlined in this article can help avoid these challenges.

Revolutionary learning results

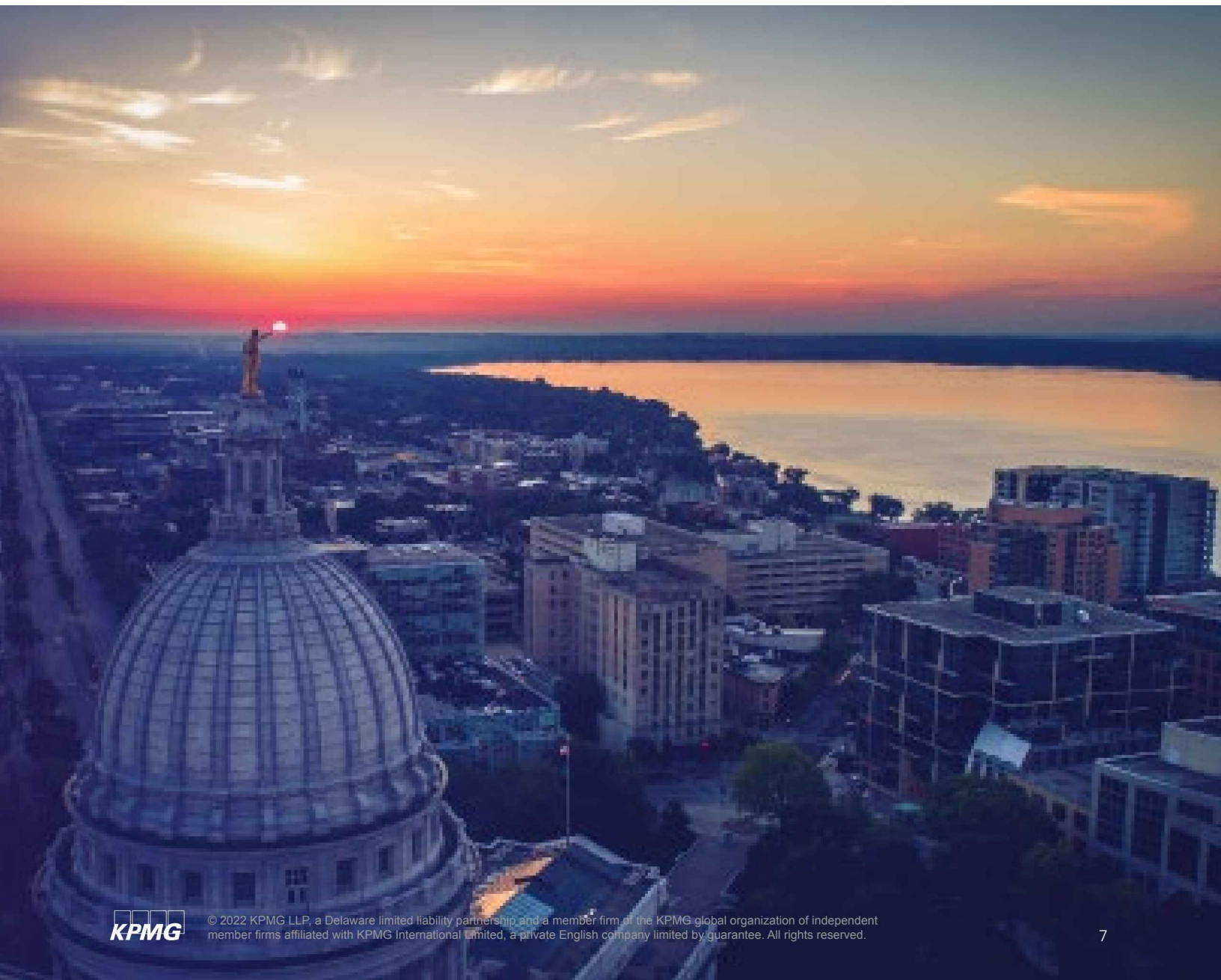
Skills shortages threaten an agency's ability to meet critical priorities. When leaders do not anticipate the skills their agency will need, work goes untouched while they scramble to fill the gaps. Those agencies unwilling or unable to bridge the workforce skills gap can fall behind in innovations and may be unable to complete their missions. Those that do can succeed.

Leaders must rethink learning with an approach that builds the capabilities the organization needs to be successful. The concept is not revolutionary, but the results can be. Outcomes can increase synergy between people, processes, and technology that can propel the organization forward. Skill gaps will continue to widen. We take a human-centric path to design a learning approach that aligns with your organization strategy, process requirements, and technology infrastructure. A learning strategy can help bridge the widening gap to enable your organization to become a modern government.

About KPMG

KPMG has worked with federal, state, and local governments for more than a century, so we know how agencies work. Our team understands the unique issues, pressures, and challenges you encounter in the journey to modernize. We draw on our government operations knowledge to offer methodologies tailored to help you overcome these challenges and work with you from beginning to end to deliver the results that matter.

The KPMG team starts with the business issue before we determine the solution because we understand the ultimate mission. When the way people work changes, our team brings the leading training practices to make sure your employees have the right knowledge and skills. We also help your people get value out of technology while also assisting with cloud, advanced analytics, intelligent automation, and cybersecurity. Our passion is to create value, inspire trust, and help government clients deliver better experiences to workers, citizens, and communities.



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