No metrics, no budget: Why HR must tie learning to business impact - ETHRWorld.com

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Executive Summary

This article addresses the persistent challenge HR and Learning & Development functions face in justifying learning investment through measurable business outcomes. The central argument, drawn from a panel discussion at the ETHRWorld Future Forward Chennai Chapter, is that skilling initiatives remain chronically underfunded because HR professionals lack robust metrics linking learning outputs to tangible business results. The article presents case examples from four Indian organizations: TCS, which uses a 'digital currency' skill score, certification rates, and customer satisfaction metrics; Tech Mahindra, which employs vertical and horizontal skilling strategies to navigate the legacy-versus-new-technology paradox; Sonepar India, which highlights the ROI of life skills and managerial competency training alongside technical skilling; Kone Elevator India, which anchors its safety training ROI to the Industrial Injury Frequency Rate (IIFR); and Sutherland Global Services, which promotes broad technological awareness over deep specialization via a large LMS. The article concludes that multidimensional metrics — spanning employee, business, and organizational levels — are necessary to secure sustained investment in workforce development.

Key Insights

1. TCS operationalizes L&D ROI across three levels — individual employee outcomes (role progression, skill scores), business/account outcomes (customer satisfaction, revenue realization), and organizational outcomes (certification rates) — recording 56 million learning hours and 45 certifications per hour in the cited period.

2. Tech Mahindra identifies a structural tension in IT skilling: client demand for legacy technology maintenance creates a gap between employee upskilling aspirations and actual deployment requirements, addressed through both vertical (depth) and horizontal (breadth) skilling strategies.

3. Sonepar India and Kone Elevator India illustrate that ROI frameworks extend beyond technical skill acquisition — life skills, interpersonal competencies, and safety certification compliance (measured via IIFR) represent quantifiable and strategically significant learning outcomes in non-IT sectors.

Practical Takeaways

- Organizations represented in the discussion use industry-specific, operationally grounded metrics — such as IIFR for safety, certification rates for technical learning, and role progression for individual development — as proxies for L&D ROI rather than relying on generic training completion data.
- The article illustrates that broad technological awareness across all workforce levels, rather than uniform deep technical specialization, is one measurable approach to scaling digital literacy in large,

diverse organizations.

Critical Analysis

Strengths: The article draws on direct practitioner voices from identifiable organizations across multiple industries (IT services, electrical distribution, manufacturing, BPO), providing sector diversity. The three-tiered ROI model described by TCS (individual, account, organizational) offers a coherent conceptual structure. Limitations: The article is based on a single panel event and relies entirely on self-reported organizational claims with no independent verification or longitudinal data. Statistics such as '56 million learning hours' and '45 certifications per hour' are presented without methodological context or external validation. The piece is essentially a conference summary repackaged as editorial content, which limits its analytical depth. Biases: The framing is uniformly positive toward the organizations quoted — no critical perspectives on the feasibility, cost, or failure modes of these approaches are presented. The piece lacks counterarguments or acknowledgment of measurement limitations, which reduces its objectivity.

Organizational Practice

Organizations described use multi-level L&D ROI measurement approaches: TCS tracks individual skill scores via a 'digital currency' system, certification rates, customer satisfaction, and revenue realization; Tech Mahindra deploys vertical and horizontal skilling strategies with role backfilling to enable upskilling; Sonepar India invests in life skills and managerial competency training alongside technical training through partnerships; Kone Elevator India mandates universal safety certification and tracks the Industrial Injury Frequency Rate (IIFR) as a primary L&D outcome metric; Sutherland Global Services provides access to an LMS with over 50,000 courses and emphasizes technology awareness over specialization.

Strategic Implications

The article reflects a broader trend in which L&D functions in large Indian enterprises are under pressure to articulate business value in quantitative terms to secure organizational investment. The diversity of metrics described — from safety incident rates to certification velocity to skill scores — indicates that sector-specific measurement frameworks are emerging in place of universal ROI models. The tension between legacy skill maintenance and emerging technology adoption, as described in the IT sector context, points to structural complexity in workforce planning that metrics alone may not resolve. The inclusion of soft skills and life skills within ROI discussions signals an expansion of what organizations count as measurable learning outcomes.

Validation Status: passed
